Whitehorse
THE WILDERNESS CITY

CITY OF WHITEHORSE

YUKON
CANADA

ANNUAL REPORT

For the year ended December 31, 2015

CITY OF WHITEHORSE YUKON, CANADA

ANNUAL REPORT

For the Year Ended December 31, 2015
Prepared by Financial Services and Strategic Communications

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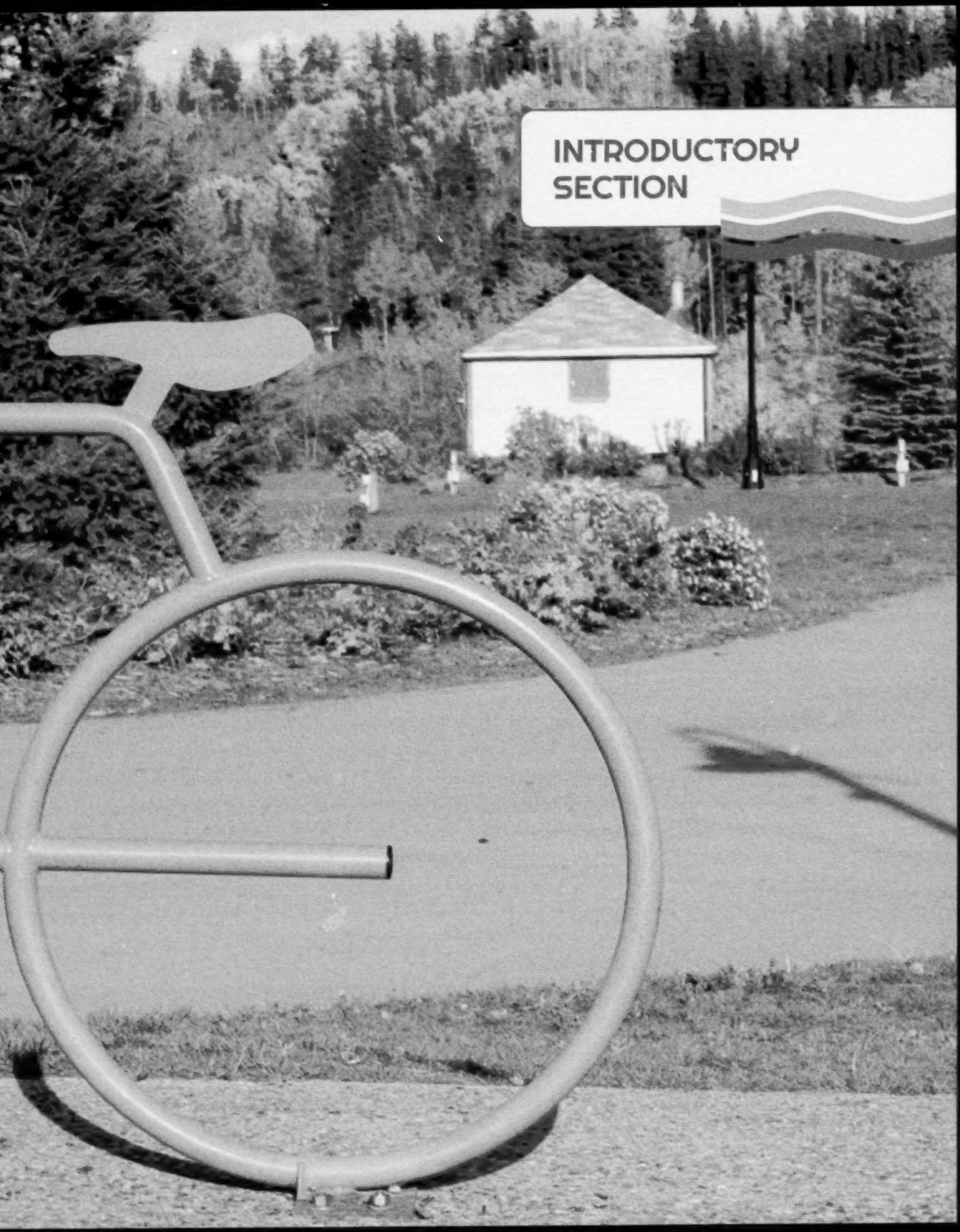
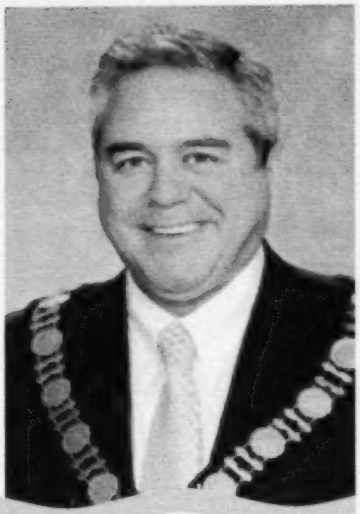

INTRODUCTORY
SECTION

MESSAGE FROM THE MAYOR



On behalf of The City of Whitehorse, I am pleased to present the 2015 Annual Report, which highlights some of our accomplishments and financial reports over the last year.

2015 was a year of transition for our City Council, with several new faces joining our table and the retirement of long time Councillor Dave Stockdale. I am happy to have started my second term working with a diverse and dynamic group with fresh ideas, and a passion for serving our city.

We've continued to foster strong relationships with First Nation Governments. We've been working closely with the Kwanlin Dün First Nation to collaborate on a number of initiatives, including new transit shelters and community safety and wellness. In 2015 we co-hosted the Vulnerable People at Risk Forum and Business Roundtable at the Kwanlin Dün Cultural Centre to share experiences and harness ideas on how to address this important and challenging issue. With KDFN's leadership and support from the City, we successfully secured funding from the Government of Yukon for support for this initiative. I look forward to our continued momentum in 2016 as we work with our community towards a better society for everyone.

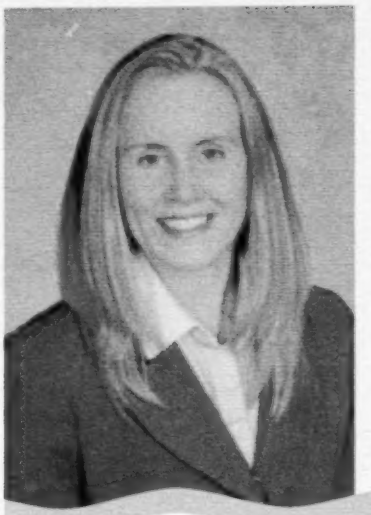
This Council demonstrated a keen interest in our city's infrastructure as well as the effective oversight of major financial projects. We appreciate our continued partnerships with the Yukon and Federal Governments for their ongoing support of infrastructure funding. Their assistance has enabled us to replace our aging infrastructure and continue to improve our services.

In 2015 there were many more initiatives happening throughout the city, as we continued the work set out in the vision expressed by City Council and the Strategic Plan. It's important that as we grow as a community that we continue to work hard and plan for a promising future.

On behalf of Council, I invite you to review the facts of this report. Please feel free to contact me, members of Council, and our City Manager about how we can work with you.

Dan Curtis
Mayor

MESSAGE FROM THE CITY MANAGER



It is my great privilege to share with you this annual snapshot of the work being done by City of Whitehorse administrators in 2015.

Early in 2015, the City started to increase its strategic planning capacity with training sessions in all departments. In the next few years these efforts are expected to increase alignment between Council strategic priorities, the budget cycle, and key performance indicators. Efforts like this are also expected to increase corporate awareness and public transparency of city administration.

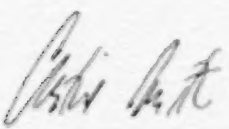
We were able to achieve some flattening of the organization to decrease hierarchy and increase horizontal knowledge and information sharing, ultimately increasing the efficiency of the administration.

The administration of the City is becoming a culture where incremental improvement is the norm. Our managers and staff continue to seek innovative and efficient ways of providing services. For example, our procurement processes are being reviewed and steps are being taken to increase administrative transparency and accountability. Additionally, we are taking steps to optimize our energy consumption at the Canada Games Centre and in some of our water and waste facilities. Measures in these areas help us to maintain service value for your tax dollar.

This year we welcomed in a new Council for the City of Whitehorse. This involved briefing everyone on their legislated roles and responsibilities and the work being undertaken by the city. New tabulators reduced errors and sped up the posting of results. Supporting the democratic process is a key activity of city administration.

I am pleased to say that administration continues to work with City Council's directions to continually improve life for all our citizens and maintain Whitehorse as a City where we can all live, work, and play.

Please accept this annual report as our way to show you what we have been doing and our efforts to be the sustainable city you desire. We would love to hear what you think.



Christine Smith
City Manager

MAYOR AND COUNCIL

BACK ROW

Councillor Rob Fendrick
Councillor Samson Hartland
Councillor Dan Boyd
Councillor Jocelyn Curteanu

FRONT ROW

Councillor Betty Irwin
Mayor Dan Curtis
Councillor Roslyn Woodcock

STANDING COMMITTEES

Report to Council on issues related to municipal services in six areas:

- Corporate Services
- City Planning
- City Operations
- Community Services
- Public Health & Safety
- Development Services

ADVISORY COMMITTEES

Persons with Disabilities Advisory Committee
suggests ways to make City services accessible to citizens with disabilities.

Canadian Coalition of Municipalities Against Racism & Discrimination
suggests best practices to eliminate racism and discrimination in City services.

Trails & Greenways Committee
provides recommendations for management, public education, and respectful use of City trails.

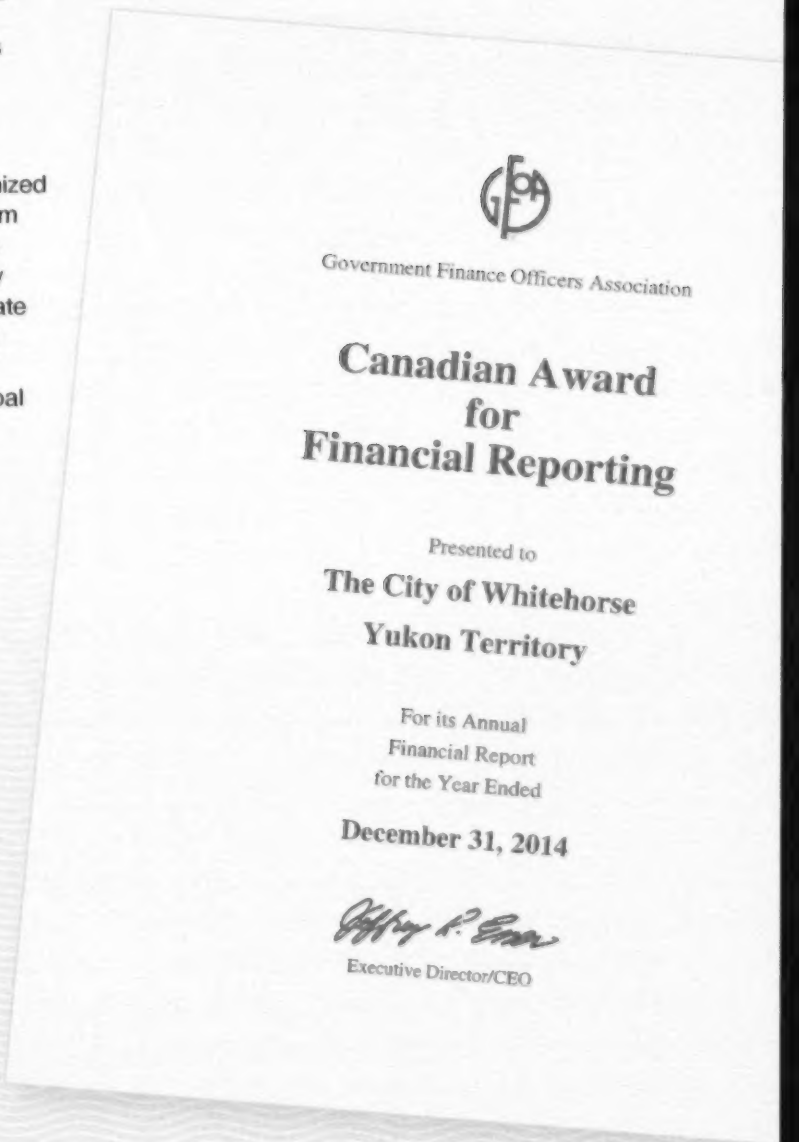
Finance Committee
considers the financial implications of existing and proposed policies and actions.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Whitehorse for its annual financial report for the fiscal year ended December 31, 2014.

The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA.



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

The City of Whitehorse
Yukon Territory

For its Annual
Financial Report
for the Year Ended

December 31, 2014

Executive Director/CEO

THE CITY OF WHITEHORSE IS PROUD TO HAVE RECEIVED THIS AWARD AGAIN THIS YEAR.

STRATEGIC PLAN IN 2015

THE 10 COUNCIL PRIORITIES FOR 2013-15

- Solid Waste Management
- Service Capacity Review
- Land Development
- Solar District Heating
- Transit
- Tourism Function
- Community Economic Development Strategy
- Public Communication
- Municipal Services Building
- Housing

Municipal Services Building

Business Plan for the Building Consolidation Project was completed and approved by Council in 2014. The project identified a hybrid option to consolidating buildings and 9 City departments. The Project included a new Operations Building to be built near the Public Safety building on land owned by YG Airports and an expansion at City Hall as a new Service Building. Budget of $56.5 million approved over 3 years with some funding made available through the Gas Tax Program. Land from YG and Northwestel was acquired for the new Operations Building and access road continued through 2015.

Strategic Sustainability

The Whitehorse Sustainability Plan was adopted in 2015 and includes a number of targets for the City to become more sustainable with 12 goals including vibrant downtown and liveable neighbourhoods, zero waste, green infrastructure, and more.

Transit

Limited service to Whistle Bend was introduced, additional bus shelters were designed and built in partnership with Kwanlin Dün First Nation, and new buses were ordered utilizing the federal Gas Tax Fund.

Tourism

Renewed our Partnership Agreement with Yukon Government department of Tourism and developed strategic action items.

Community Economic Development Strategy

Adopted by Council in May of 2015.

Vulnerable Persons Initiative

A business roundtable was hosted in 2015 as a part of the Vulnerable Persons Initiative. The City is currently working with the Kwanlin Dün First Nation, Yukon Government and other community groups to create an action plan to end homelessness.

Land Development

Ongoing work took place in 2015 in partnership with Yukon Government on Whistle Bend development area to maintain a 2-year supply residential lot inventory.

Approved Phase 3 area zoning amendment and subdivision approval. Continued work on Phases 1 & 2 landscaping implementation, rain garden and park/trail development.

Housing

Ongoing City initiatives in 2015 to encourage residential development and rental housing through the City's Development Incentive Policy and living suite development incentives. Completed an investigation into underdeveloped properties in the downtown core and related development challenges.

MISSION

We provide leadership as one of Canada's best local governments enabling Whitehorse to be an exceptional community to live, work and play.

VISION

Whitehorse will be a well-planned, self-sustaining community that is a leader in energy conservation and innovation that maintains and conserves wilderness spaces for future generations. Whitehorse will continue to strive for a better quality of life that is reflected in its vibrant economy and social life.

SUSTAINABILITY PLANNING IN 2015

Since 2008 the City of Whitehorse has defined sustainability through new policies and clear action on solid waste, transportation, and, more recently, by exploring how to address affordable housing needs.

VISION

Whitehorse will be a well-planned, self-sustaining, innovative community that leads in management and conservation of wilderness, energy, and resources for the future. Whitehorse will strive for a good quality of life for all, a stable economy, and a socially diverse community.

The City of Whitehorse continues to embrace the environmental, social, and economic goals outlined in the Whitehorse Sustainability Plan, which provides long term direction for the City. While activities and operations throughout the City are the primary means to bringing us closer to these 12 goals, community-wide targets indicate progress towards those goals. Following are some highlights.

Strong Downtown and Livable Neighbourhoods

The plan identifies a target to increase the populations of Whitehorse's most established neighbourhoods as a means of remaining compact, and creating full-service neighbourhoods. While the greatest growth occurred in Whistle Bend, Whitehorse's oldest neighbourhoods remain popular and in demand.

Efficient, Low-Impact Transportation

The City has a target to decrease reliance on single occupant vehicles (currently 75%), and increase the use of other forms of transportation such as transit, walking, and cycling. The City relies on census data for this statistic, so progress will be reported once the 2016 census data is available.

SUSTAINABILITY PLANNING

Healthy Environment and Wilderness

The City aims to retain its current wilderness areas, and reduce human-wildlife conflicts as part of its recognition that a healthy environment is critical to human health, tourism, and the well-being of all of Yukon. The first regional park plan for Chadburn Lake Park is nearing completion.

Green Buildings and Infrastructure

The City aims to increase the energy efficiency of its buildings and decrease the impact of all its infrastructure. The proposed service building will be designed to a standard 80% better than the National Energy Code for Buildings.

Energy and Greenhouse Gas Reduction

Reducing greenhouse gas emissions remains an important environmental goal at the City. Despite producing such a small percentage of Canada's overall emissions, the City can be a leader in reducing its reliance on non-renewable, carbon based fuels.

Dynamic and Diverse Culture, Heritage, and Arts

The City has a target to increase community participation rates in arts, culture, and heritage events. This target will be monitored through participation in activities funded through the City's Recreation and Special Events funds.

Social Equity: Affordable Housing and Poverty Reduction

The City is working towards decreased household spending on shelter, narrowing the income gap, and increasing programs and projects that target low-income citizens. Currently, 21% of Whitehorse households spend more than the recommended 30% of gross income on housing.

Connected, Engaged, Participatory Community

The City has targets to increase community participation, partnerships, volunteerism, and overall engagement in municipal affairs undertaken both by the City and by citizens.

Safe and Healthy Community

The City is committed to a healthy population, and safety in the areas of fire prevention, traffic, and the use of public areas throughout Whitehorse.

Diverse Local Economy

In order to meet our goal of a stable, diverse economy, the City is implementing its Local Economic Development Strategy.

Zero Waste

The City is working towards a goal to divert 50% of its waste from the landfill. Our diversion rate in 2015 was 34%, up from 26% in 2014.

Resilient, Accessible Food Systems

The City is working towards more consumption of local food, more community gardens, and greater production of finished compost at the Compost Facility. In 2015, organics handled at the facility increased by 46% over 2014.

CITY DEPARTMENTS

CITY MANAGER
CORPORATE SERVICES DIVISION

Business & Technology Systems

Builds, enhances and maintains the City's technology infrastructure and systems. Our team supports all City departments in meeting business and corporate objectives, ensuring the provision of efficient services to citizens.

Financial Services

Provides financial reporting and control services, manages City assets, and provides guidance for maintaining the overall financial stability of the municipality. Specific functions include preparing and monitoring operating and capital budgets, levying and collecting property taxes and utilities, administering payroll, processing accounts payable and accounts receivable, and maintaining a high level of client service for municipal payments and inquiries.

Fire Services

Provides fire suppression, ice rescue, technical rope rescue, confined space rescue, motor vehicle extraction, and emergency response. Fire prevention is a key initiative which includes building inspections, building plan reviews, to ensure code compliance, and Fire education. Fire cause determination investigations are conducted and documented to assist police and insurance companies for all suspicious and major fires. A comprehensive inspection program of assembly, hotel and multi-unit residential occupancies occurs annually. Staff receive training in the department's onsite training centre, as well as accredited training from outside organizations in firefighting, rescue, and fire prevention. Our 24-hour dispatch service answers fire emergency calls, as well as bylaw complaints and after-hours calls to the City's trouble line.

Human Resources

Supports all stages of the employee experience, from job applications to retirement planning. We're responsible for providing strategic advice and leadership to supervisors and managers within the City to create a culture of employee empowerment and recognition. We also hold the Corporate Safety program and work with all departments to ensure that safety is our first priority.

Legislative Services

Is the communication link between the citizens of Whitehorse and their City Council. We support effective conversations between Council and staff by coordinating Council meeting information. We prepare and preserve records of the official business of the corporation, including bylaws, minutes of Council and Committee meetings, and Council policies. The department is also responsible for the coordination of elections, plebiscites and referendums, and maintains the official list of electors for the City.

Strategic Communications

Works with City Council and staff from all departments to ensure the City effectively communicates with citizens and government partners in a timely, coordinated, and proactive way. We're responsible for the City's website, social media, advertising, and marketing.

COMMUNITY AND RECREATION SERVICES DIVISION

Bylaw Services

Supports a safe and healthy environment for the citizens of Whitehorse by ensuring compliance with City bylaws, from parking to the protection of animals. We use an educational approach to resolve infractions whenever possible, and focus on quality customer service.

Parks and Community Development

Operates and maintains two feature public parks (Rotary Peace Park and Shipyards Park), approximately 36 neighbourhood parks encompassing outdoor rinks and playgrounds, two cemeteries, 35,800 hectares of green space, approximately 700 kilometres of trails, approximately 3,000 strands of winter lights, maintain over 450 street light banners and plant 1,200 dozen flowers annually. Oversee and co-ordinate many community initiatives, administer the Festivals and Special Events Grants, book events in City parks, co-ordinate local events with community partners and host approximately 10 annual corporate events.

Recreation and Facility Services

Operates and maintains the Canada Games Centre, Takhini Arena and the Grey Mountain Room at the Mt. McIntyre Recreation Centre. We offer a variety of recreational programs, activities, and events, as well as work in partnership with community clubs and organizations. Our department has something to offer people of all ages and all abilities.

Transit Services

Provides safe, reliable, cost-effective, and environmentally responsible public transportation supporting the social and economic well-being of our citizens. We also operate the Handy-Bus service, a curb-to-curb service for persons unable to use the conventional transit system due to physical and/or cognitive disabilities.

DEVELOPMENT SERVICES DIVISION

Engineering Services

Facilitates the planning, design, and construction of the City's existing infrastructure and new developments including transportation and traffic control, water and waste infrastructure, parks, trails and commuter paths, and environmental works. We provide engineering design, construction and operational advice to other City departments, non-governmental organizations, developers, businesses, and the public. We manage the City's infrastructure database.

Environmental Sustainability

Is responsible for the Whitehorse Sustainability Plan, and the integration of sustainability into City decision-making, policies, and operations. The department also encourages sustainable actions and behaviour by residents and visitors, particularly in the areas of energy use, waste diversion, and active transportation.

Planning and Building Services

Carries out long-range planning in consultation with the community. We issue business licenses, development permits and building permits. We administer the City's official community plan, zoning bylaw and heritage registry. We are the lead coordinating department for government initiated land development projects in the City and process applications for zoning amendments and land subdivisions. We ensure a consistent application of City policies and legislation in order to facilitate development. Our building inspections branch ensures public health and safety by carrying out site inspections and approvals for construction projects. We educate and ensure compliance on national and municipal standards, and offer general advice to the public, contractors, and design professionals.

Economic Development

Responsible for implementing the 2015 Community Economic Development Strategy, which includes a variety of activities that promote partnerships, facilitates entrepreneurship opportunities, and improves communications among stakeholder groups. Oversees all economic development programs within the City and assists Whitehorse in playing an active role in creating a healthy, vibrant, and prosperous community.

INFRASTRUCTURE AND OPERATIONS DIVISION

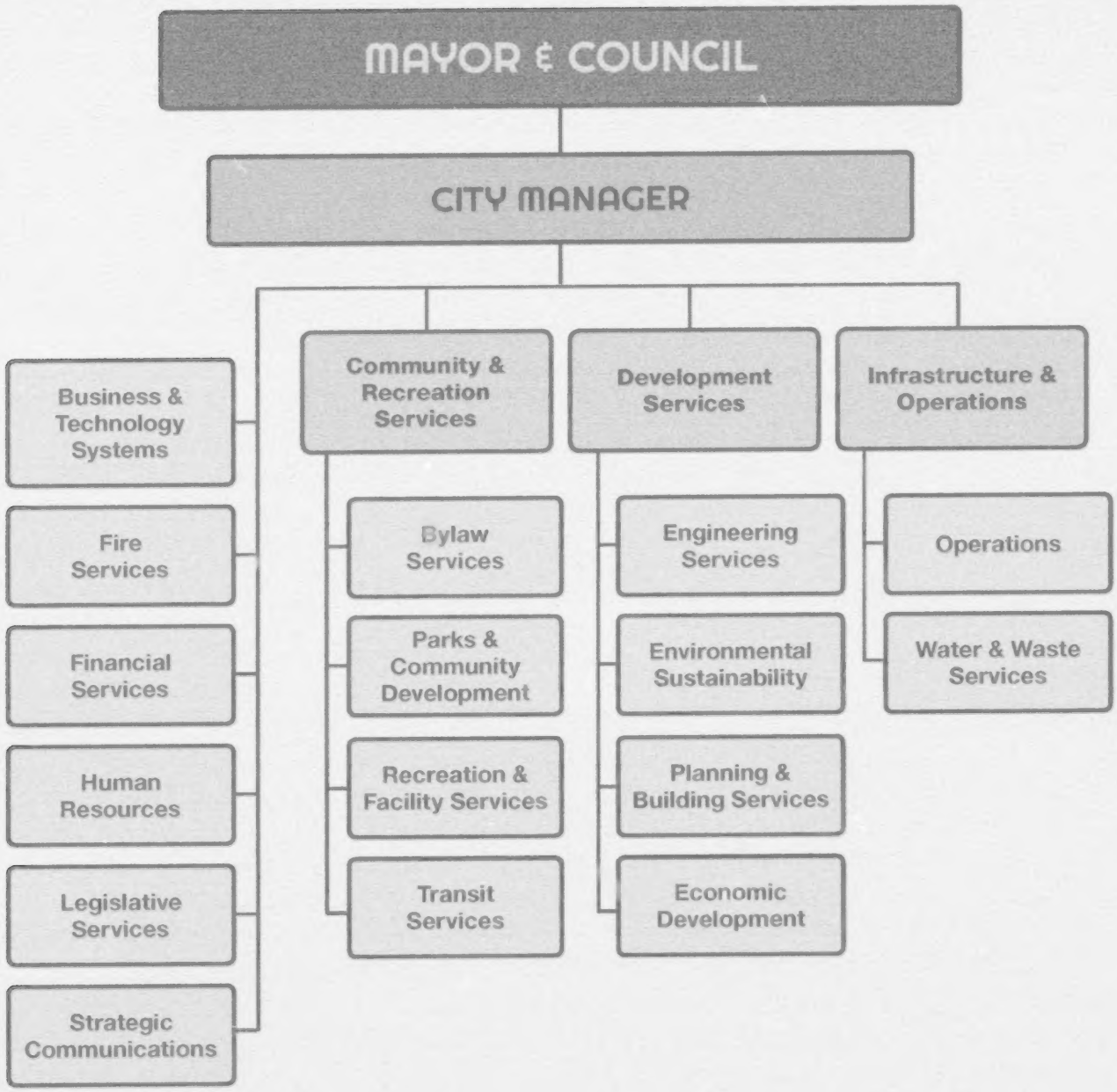
Operations

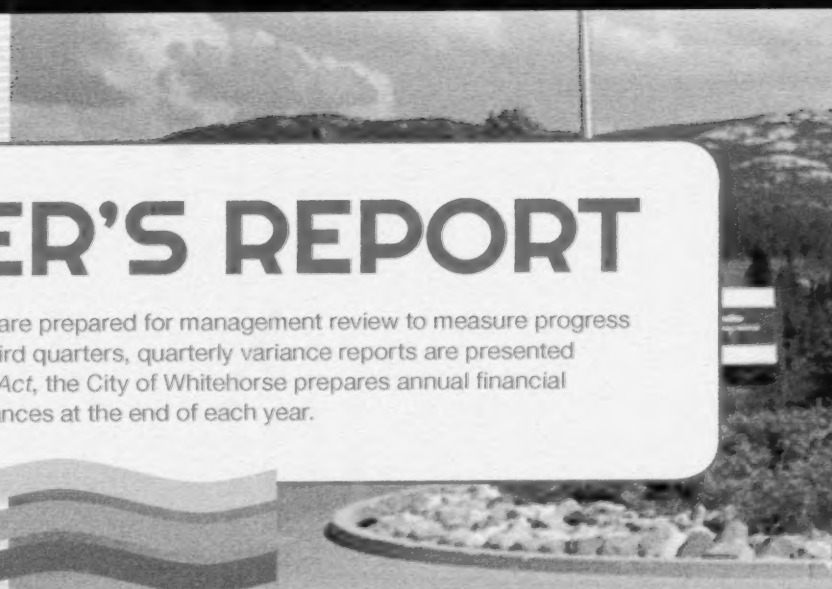
Is responsible for the repair and maintenance of City-owned and operated assets. Transportation maintenance cares for 600 kilometres of city roads, including snow and ice control, road repair and special event support. Equipment Maintenance and Building Maintenance are responsible for maintenance and repairs of vehicles, equipment and 130 City-owned buildings. The Traffic/Sign Shop is responsible for operation and maintenance of traffic signals, road markings and signs, and parking meters.

Water and Waste Services

Operates and maintains the City's potable water supply and distribution system, the sanitary sewer system (including two wastewater treatment lagoons), and the storm water collection system. This critical infrastructure meets or exceeds legislated health and safety requirements and provides high-quality potable water. We oversee the City's waste collection service and the Waste Management Facility, including processing of reusable, recyclable, compostable and waste materials. We work closely with the Environmental Sustainability department to increase waste diversion.

CITY DEPARTMENTS





TREASURER'S REPORT

Throughout the year monthly internal reports are prepared for management review to measure progress against budget and, after both second and third quarters, quarterly variance reports are presented to Council. In accordance with the *Municipal Act*, the City of Whitehorse prepares annual financial statements to show the state of the City's finances at the end of each year.

The City's Management is responsible for the preparation and presentation of these financial statements. They must be done in accordance with Canadian public sector accounting standards, be a fair presentation, and have such internal controls as management determines is necessary so that they are free from material misstatement, whether due to fraud or error. To ensure that the statements are in compliance, they undergo an external audit by an independent auditor.

The *Municipal Act* requires that these statements be forwarded to Council and then on to the Government of Yukon before June 30 each year.

The Financial Statements encompass the following individual statements and schedules:

1) **Statement of Financial Position** – provides a summary of the City's financial and physical assets and liabilities.
2) **Statement of Operations** – provides a summary of funds raised by the City and the use of such funds during the year.
3) **Statement of Changes in Net Financial Assets** – shows how the changes in physical assets occurred through the purchase and disposition of physical assets.
4) **Statement of Cash Flows** – summarizes how the City's cash position changed during the year by highlighting the sources and uses of cash.
5) **Schedule of Financial Activities - by Segment** – provides more specific information on the municipality's key segments (activities). Note: there is a separate schedule for each of 2014 and 2015.
6) **Schedule of Water & Sewer Utility** – as this area is operated as a separate utility this schedule provides a summary of the City's water and sewer operation.

Also included are Notes to the Financial Statements which are an integral part of the statements and provide further context and detail about the City's financial results.

The City's Auditors have completed their review of the statements, schedules, and notes. They confirm that these statements fairly present the financial position of the City of Whitehorse as at December 31, 2015.

2015 ANALYSIS

Council adopted an operating and capital budget for 2015 totalling $86,765,806. This includes the initially adopted budget plus Council-approved amendments made during the course of the year.

Statement 1 – Statement of Financial Position

One of the results of the Public Sector Accounting Board rules is that a greater emphasis is placed on the Statement of Financial Position which shows the long-term fiscal health of the municipality, as opposed to a traditional operating statement or, in the case of public sector organizations, the Statement of Operations, which reflects a more short-term perspective.

The Statement of Financial Position (Statement 1) shows the City's overall financial position has remained largely consistent with 2014's. While the net financial assets have increased by $8,164,589, liabilities have decreased by $679,617 resulting in an increase in net financial assets. However, non-financial assets which are primarily composed of tangible capital assets have decreased by $9,509,445 as capital improvements are not keeping pace with the depreciation of the City's infrastructure. Overall, the City's accumulated surplus has decreased by $665,241.

	2015	2014	Change
Financial assets	$ 56,997,605	$ 48,833,016	$ 8,164,589
Liabilities	24,074,057	24,753,674	(679,617)
Net financial assets	$ 32,923,546	$ 24,079,342	$ 8,844,204
Non-financial assets	416,208,307	425,717,752	(9,509,445)
Accumulated surplus	**$ 449,131,853**	**$ 449,797,094**	**$ (665,240)**

The accumulated surplus of $449,131,853 is further explained in Note 3, with a breakdown of reserves, tangible capital asset investment and general surplus as follows:

Total reserves	$ 32,933,428
Surplus	
Invested in tangible capital assets	414,502,060
Long-term liabilities	(9,222,726)
Net investment in tangible capital assets	405,279,334
General surplus	10,919,091
Accumulated surplus	**$ 449,131,853**

This clearly shows that while the City's reserves hold over $32 million, the bulk of the City of Whitehorse's accumulated surplus is already spent and has been invested in tangible capital assets. Indications are that the City's reserve and general surplus levels are within acceptable ranges given the extent of the City's overall financial framework, but further work will be done to quantify these ranges in the near future.

One of the financial benchmarks used to evaluate the financial health is a measure of the City's liquidity or ability to pay its obligations. Using data from the Statement of Financial Position the 2015 result is 2.095 with an acceptable range of 1.00 – 2.50.

The 2015 cash balance is 27% higher than 2014's due to a combination of decreased self-funded capital investments and Council's strategy to build up City reserves; this has caused a strengthening in the results of this financial test.

	Benchmark	2015	2014	2013	2012	2011
Cash & Invest./Fin. Liabilities	**1.00 – 2.50**	**2.095**	**1.607**	**1.316**	**0.742**	**1.125**

A second benchmark evaluated using data from this statement, as well as the Statement of Operations, considers the ability of the organization to meet short-term obligations with the normal flow of revenues. The results of this test shows general liabilities as a ratio of operating revenue is within the acceptable range, meaning that these obligations can be met. The 2015 result is 0.215 within an acceptable range of 0.125 – 0.250.

	Benchmark	2015	2014	2013	2012	2011
Gen. Liabilities/Oper. Revenue	**1.25 – .250**	**0.215**	**0.246**	**0.265**	**0.238**	**0.186**

The next benchmark utilizing the data on this statement is the per capita debt calculation. These results show that per capita debt remains well within the maximum stipulated in the City's Debt Management Policy. The 2015 result is $352 with a maximum allowable under the policy of $500. It should be noted that this amount is tightly restricted by the City's policy from the maximum allowable under territorial legislation which can be calculated as approximately $3,140 per capita (based on December 31, 2015 assessments and population).

	Benchmark	2015	2014	2013	2012	2011
Long term debt/Population	**0 – 500**	**$ 352**	**$ 362**	**$ 381**	**$ 415**	**$ 366**

Statement 2 - Statement of Operations

This statement compares the year's actual expenses to the final approved 2015 budget and provides a summary of the sources, allocation and use of the financial resources administered during the year. The budget numbers combine both Capital and Operating approved amounts and restate them in accordance with PSAB standards as shown in Note 12 of the statements.

Total 2015 revenue was within 0.8% of budget. Notable deviations include Government Transfers that did not meet planned levels as capital projects were not completed, and Other Revenues which exceeded budget due to additional land sales.

On the expense side, costs came in 5.13% below budget with nearly all areas operating within their established budgetary limitations.

Overall, these results show that the annual deficit was planned to be $2,897,507 compared to an actual deficit of $665,240. Deficit in the sense of these statements does not equate to losses for the year. It instead refers to the excess of expenses over revenue, not including investments in tangible capital assets.

One of the benchmarks used to evaluate the data in this statement measures operating revenue as a ratio of total revenue. Total revenue is calculated without capital grants and donated capital assets in order to better reflect day-to-day operations. Results within the benchmarked range reflect that the City is relying less on funding from senior government and in a position more comparable with other jurisdictions. The 2015 result is 0.897, within an acceptable range of 0.798 – 0.972.

	Benchmark	2015	2014	2013	2012	2011
Own Source Rev./Total Revenue*	**.798 – .972**	**0.897**	**0.886**	**0.884**	**0.883**	**0.901**

Data from this statement and Note 3 of the financial statements are used to measure the City's ability to overcome a temporary shortfall of revenue. The 2015 result is 0.134 with an acceptable range being 0.101 – 0.358. Uncommitted reserves are our Capital, Contingency and General Fund reserve. The strategy approved by Council to build reserves for the Building Consolidation Project has resulted in these reserves increasing by nearly $2.8 million in 2015, bringing the ratio up from the 2014 level of 0.098.

	Benchmark	2015	2014	2013	2012	2011
Uncommitted Res./Oper. Rev.	**.101 – .358**	**0.134**	**0.098**	**0.088**	**0.053**	**0.066**

Statement 3 – Statement of Changes in Net Financial Assets

This statement reflects the changes in physical assets which occurred via the purchase, amortization and disposition of assets throughout the year. $7,630,465 was invested in the acquisition of new tangible capital assets in 2015 and $16,346,866 was amortized over the same period. An investment level in assets that exceed the cost of using existing assets is generally a healthy sign for a municipality. This is the third year in a row where this investment has not been made however, given Council's strategy to reduce capital investment to build up reserves for the consolidated building project a temporary reduction in the City's asset investment levels is not cause for concern.

Statement 4 – Statement of Cash Flows

This statement shows how the City financed its activities and met its cash requirements during the year. These activities resulted in an increase in cash of $10,661,060 primarily due to a decreased investment in the acquisition of tangible capital assets arising from the noted strategy to build up City reserves.

Water & Sewer Utility

As the Water and Sewer Services of the City are operated as a separate utility it is necessary to break out the operating costs as shown in Schedule 2. The schedule shows a deficit of $229,646 which, in order to maintain the separation between taxpayer funded activities and the operations of the utility, must be funded by rate payers. This is done by a transfer from the Water and Sewer Reserve in 2016 or by a rate increase to cover the deficit in 2017. The balance in this reserve as of December 31, 2015 is $5.7 million.

TREASURER'S REPORT

It should be noted that at this time the deficit allocated to rate payers is the deficit arising before depreciation and gain/loss on disposal which, when added in, increase the utility's deficit to $4,980,382. Depreciation is not included as part of the deficit funding calculation at this time, as the City does not currently raise revenues to fund the City's overall depreciation amount of $16,346,869.

Management Letter

As part of their engagement, the City's Auditors annually provide suggestions for improvements to the City's financial control systems. No items of concern were brought forward, but the Auditors made three recommendations for continued or future attention.

These are:

1) Strengthen the IT change management processes;

2) Formalize lifecycle costing; and

3) Continue asset management development.

Significant Trends

Revenues	Average Annual Change	2015	2014	2013	2012	2011
Property taxes	6.27%	$ 35,520,612	$ 33,864,432	$ 32,607,543	$ 30,191,241	$ 28,051,329
User fees	5.57%	15,899,825	14,915,285	14,167,530	13,284,807	12,542,391
Other	10.66%	9,396,029	6,120,962	6,156,561	8,777,898	19,855,823
Total		**$ 60,816,466**	**$ 54,900,679**	**$ 52,931,634**	**$ 52,253,946**	**$ 60,449,543**

The above revenue numbers have been pulled from the Statement of Operations, net of government grants and donated assets which vary significantly from year to year depending on approved projects. The major revenue increase between 2015 and 2014 is an additional $1.66 million in property taxes caused by assessment growth, and additional user fees of $0.94 million primarily due to fee increases in the landfill and utility areas which are operated on a cost recovery basis. The data in the above table should not interpreted as an increase to tax rates over the period in question; it summarizes the changing revenues collected.

Expenses	Average Annual Change	2015	2014	2013	2012	2011
General Government	0.27%	$ 11,815,947	$ 11,044,225	$ 11,960,364	$ 11,589,505	$ 13,376,888
Protective Services	9.99%	7,759,306	7,727,744	7,246,218	7,419,163	6,318,008
Transportation Services	7.49%	20,170,263	18,730,152	17,964,976	17,973,611	15,474,346
Environmental Services	7.69%	15,325,012	13,933,744	11,927,055	11,518,183	10,004,218
Public Health Services	-0.66%	249,026	291,064	249,001	255,390	263,445
Community Development Services	-1.20%	1,526,956	1,630,242	2,098,480	1,987,116	1,816,044
Recreational & Cultural Services	5.31%	13,507,001	13,128,239	12,924,312	17,270,425	18,200,632
Total		**$ 70,353,511**	**$ 66,485,410**	**$ 64,370,407**	**$ 68,013,395**	**$ 65,453,581**

Using expense numbers from the Statement of Operations, significant increases can be seen in the areas of protective services, transportation services, environmental services and recreation and cultural services where increasing growth in the community has led to enhanced service over the past few years. Newer subdivisions including Ingram, Whitehorse Copper and Whistle Bend have led to growth in budgets within these areas. As noted earlier, in 2015 overall costs came in 5.13% below the planned expenditures.

Financial Position	Average Annual Change	2015	2014	2013	2012	2011
Financial Assets	16.30%	$ 56,997,605	$ 48,833,016	$ 45,097,354	$ 39,945,949	$ 36,589,231
Liabilities	2.05%	24,074,057	24,753,674	24,948,897	24,281,233	21,356,388
Net Financial Assets		**$ 32,923,548**	**$ 24,079,342**	**$ 20,148,457**	**$ 15,664,716**	**$ 15,232,843**

Additional information on the City's obligations can be found in the notes to the financial statements. The City has a Debt Management policy which establishes conditions for the use of debt, creates procedures that define the level of debt to be included in rates and minimizes the City's debt servicing costs.

Reserves	Average Annual Change	2015	2014	2013	2012	2011
	18.26%	$ 32,933,428	$ 28,065,741	$ 26,794,391	$ 24,372,168	$ 22,628,666

The City's reserves are used to fund a portion of the City's capital program and occasionally stabilize minor expenditure and revenue variances from one year to the next. The increase in 2015 reserve levels continues to occur as a result of Council's strategy to build the levels and reduce capital spending in order to partially offset the costs of the future Building Consolidation Project.

TREASURER'S REPORT

Summary

The statements reflect the financial position of the City at the end of the year including the total accumulated surplus of $449,131,853. Most of this surplus is invested in the fixed assets of the City, meaning land, land improvement, buildings, equipment, linear assets (mainly made up of roads and underground pipes), and assets under construction.

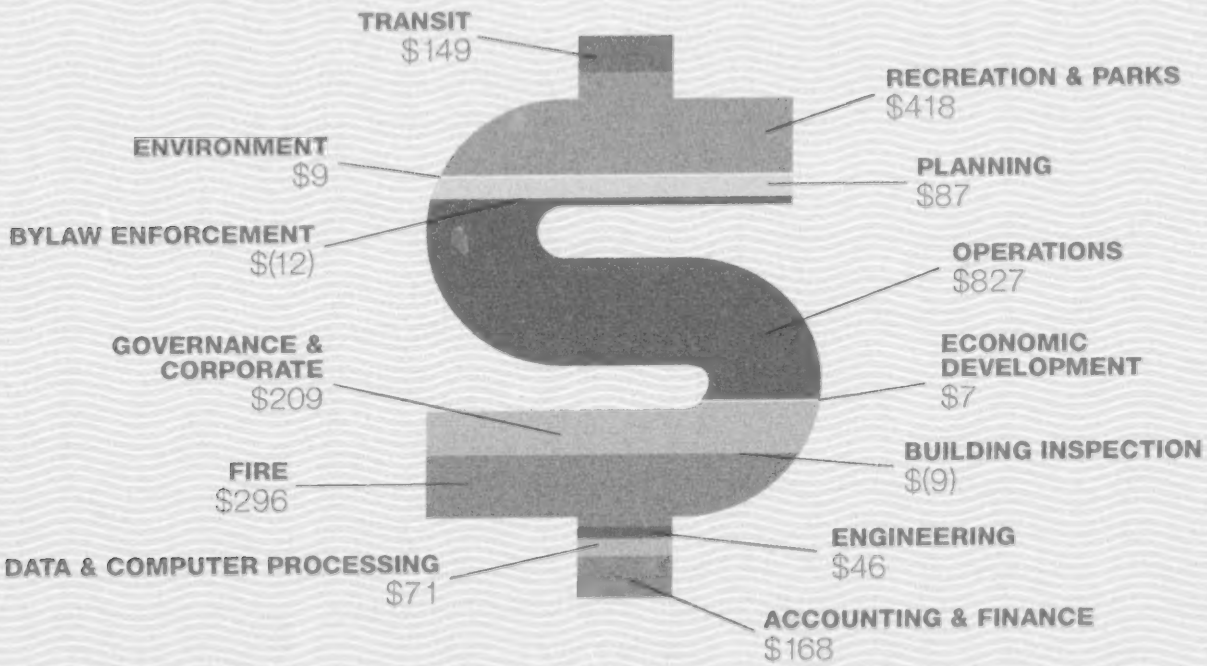
The City's vision speaks to acting in a fair and fiscally responsible manner. The City submits that the City's budget and financial results have combined to keep taxes and utilities among the lowest across Canada; however community growth and, to a lesser extent, inflation pressures continue to make balancing service levels with costs more challenging.

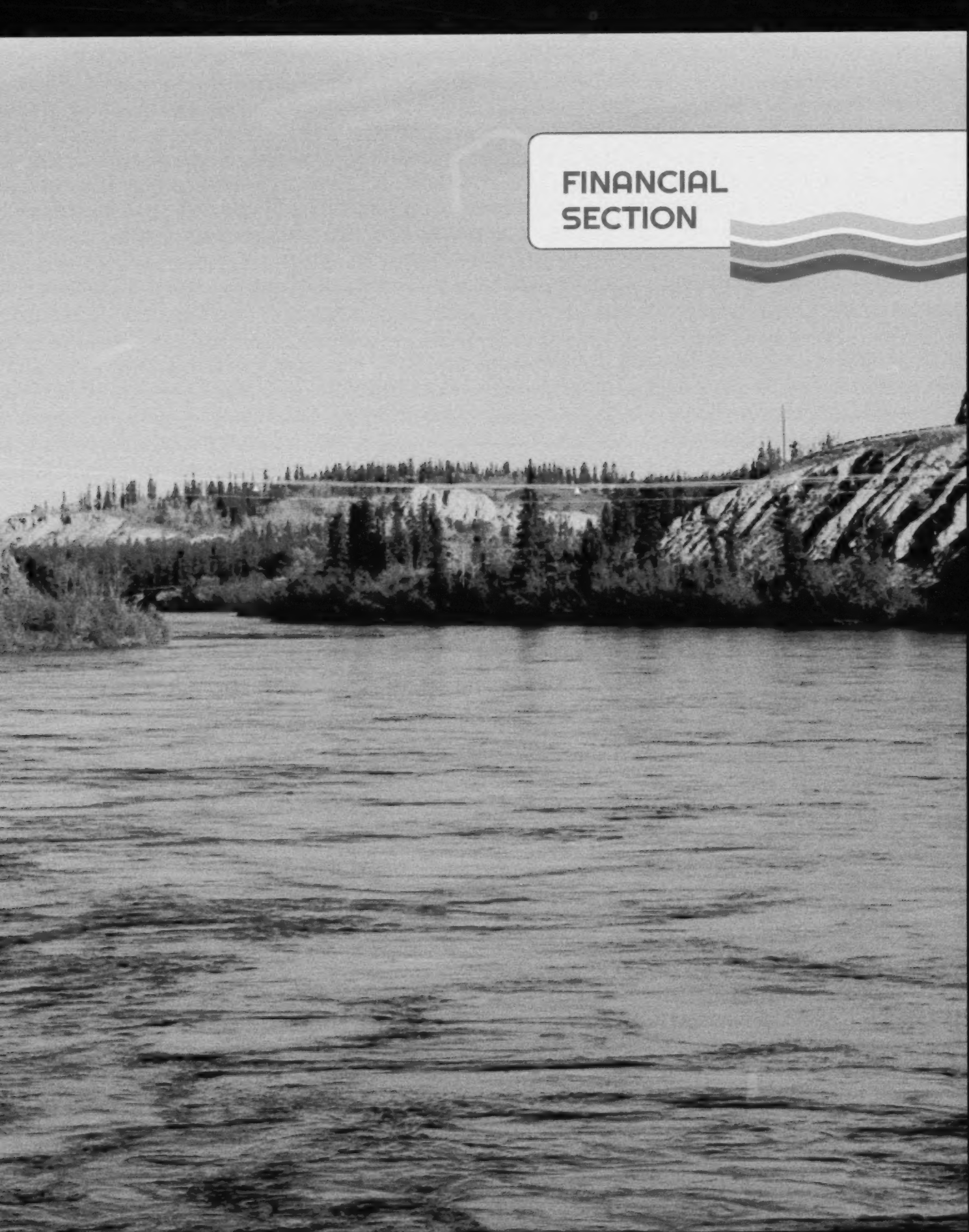
Valerie Braga MPA, CPA, CGA
Chief Financial Officer
June 27, 2016

WHERE DOES YOUR TAX DOLLAR GO?

2015 Residential Average Tax of $2,265

(Net Department Operating Costs)





FINANCIAL SECTION

FINANCIAL SECTION

MANAGEMENT'S REPORT

City of Whitehorse management is responsible for the integrity, relevance and comparability of the data in the accompanying financial statements. The financial statements are prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Preparing the statements necessarily includes some amounts based on the best estimates and judgments of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that the integrity of financial records is maintained. As well, it is the practice of the City to maintain the highest standard of ethics in all its activities.

BDO Canada LLP has audited the financial statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion of the consolidated financial statements, follows.

Valerie Braga MPA, CPA, CGA
Chief Financial Officer
June 27, 2016

BDO

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BDO Canada LLP
202 - 9016 Quartz Road
Whitehorse, Yukon
Y1A 2Z5 Canada

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the City of Whitehorse

We have audited the accompanying financial statements of the City of Whitehorse, which comprise the Statement of Financial Position as at December 31, 2015, and the Statements of Operations, Change in Net Financial Assets and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of the City of Whitehorse as at December 31, 2015 and its results of operations, cash flows, and changes in net financial assets for the year then ended, in accordance with Canadian public sector accounting standards.

Other Matter

Without modifying our audit report, we draw your attention to Note 2 to the financial statements that explains the adjustment of prior year financial statements to recognize contributed assets that were not previously recorded. These adjustments were applied retrospectively by management to the comparative information in these financial statements.

BDO Canada LLP

Chartered Accountants

Whitehorse, Yukon
June 27, 2016

CITY OF WHITEHORSE
Statement of Financial Position
as at December 31, 2015

	2015	2014 Restated - Note 2
Financial assets		
Cash	$ 50,434,547	$ 39,773,487
Accounts receivable	4,191,241	3,399,307
Government transfers receivable		
Government of Yukon	1,265,511	1,957,911
Other due from government		
Government of Canada	65,877	61,644
Government of Yukon	942,406	3,511,030
First Nation Governments	60,774	87,482
Other financial assets	37,248	42,155
Total financial assets	$ 56,997,605	$ 48,833,016
Liabilities		
Accounts payable	$ 7,883,125	$ 8,718,700
Employee future benefits (Note 10)	2,416,200	2,035,800
Landfill closure & post closure liability (Note 9)	1,444,330	1,288,955
Deferred revenue	1,308,472	1,483,929
Deposits	1,799,204	1,841,326
Long term debt (Note 5)	9,222,726	9,384,964
Total liabilities	$ 24,074,057	$ 24,753,674
Net financial assets	$ 32,923,546	$ 24,079,342
Non-financial assets		
Tangible Capital Assets (Note 4)	$ 414,502,060	$ 423,810,554
Land for resale	358,367	698,839
Inventory	535,206	510,432
Prepaid expenses	812,674	697,927
Total non-financial assets	$ 416,208,307	$ 425,717,752
Accumulated surplus (Note 3)	$ 449,131,853	$ 449,797,094

The accompanying notes are an integral part of these financial statements

Approved by:

Valerie Braga, MPA, CPA, CGA
Chief Financial Officer

CITY OF WHITEHORSE
Statement of Operations
for the year ended December 31, 2015

	2015 Budget Note 12	2015 Actual	2014 Actual Restated - Note 2
Revenues			
Taxes and payments in lieu of taxes	$ 35,498,389	$ 35,520,612	$ 33,864,432
Government transfers	11,277,743	8,871,804	13,993,974
Sales of goods and services	15,680,984	15,899,825	14,915,285
Licenses, permits, penalties and fines	2,757,600	2,444,709	2,617,850
Developers' contributions	406,000	443,239	712,892
Investment income	330,000	428,737	420,022
Other revenues	5,312,961	6,079,344	2,370,198
Donated assets (Note 4)	-	-	51,538,400
Total revenue	$ 71,263,677	$ 69,688,271	$ 120,433,053
Expenses			
General government services	$ 12,712,175	$ 11,815,947	$ 11,044,225
Protective services	8,491,769	7,759,306	7,727,744
Transportation services	21,063,545	20,170,263	18,730,152
Environmental services	15,256,172	15,325,012	13,933,744
Public health services	252,877	249,026	291,064
Community development services	1,872,534	1,526,956	1,630,242
Recreation and cultural services	14,512,112	13,507,001	13,128,239
Total expenses	$ 74,161,184	$ 70,353,511	$ 66,485,410
Annual surplus/(deficit)	$ (2,897,507)	$ (665,240)	$ 53,947,643
Accumulated surplus at beginning of year	$ 449,797,094	$ 449,797,094	$ 395,849,451
Accumulated surplus at end of year	$ 446,899,587	$ 449,131,853	$ 449,797,094

The accompanying notes are an integral part of these financial statements

CITY OF WHITEHORSE
Statement of Change in Net Financial Assets
for the year ended December 31, 2015

	2015 Budget Note 12	2015 Actual	2014 Actual
Annual surplus/deficit	$ (2,897,507)	$ (665,240)	$ 53,947,643
Acquisition of tangible capital assets	$ (12,988,765)	$ (7,630,465)	$ (65,242,963)
Depreciation of tangible capital assets	15,700,324	16,346,866	14,487,175
(Gain)/loss on disposal of tangible capital assets	-	531,080	281,365
Proceeds on disposal of tangible capital assets	-	61,013	3,777
	$ 2,711,559	$ 9,308,494	$ (50,470,646)
Acquisition of inventories of supplies	$ -	$ (535,206)	$ (510,432)
Acquisition of prepaid expense	-	(812,674)	(697,927)
(Aquisition)/reduction of land for sale inventory	-	340,472	(14,113)
Consumption of supplies inventories	-	510,432	543,152
Use of prepaid expense	-	697,927	1,133,207
	$ -	$ 200,951	$ 453,887
Change in net financial assets	$ (185,948)	$ 8,844,204	$ 3,930,884
Net financial assets at beginning of year	$ 24,079,342	$ 24,079,342	$ 20,148,458
Net financial assets at end of year	$ 23,893,394	$ 32,923,546	$ 24,079,342

The accompanying notes are an integral part of these financial statements

CITY OF WHITEHORSE
Statement of Cash Flows
for the year ended December 31, 2015

	2015 Actual	2014 Actual
Operating transactions		
Annual surplus/(deficit)	**$ (665,240)**	**$ 53,947,643**
Items not utilizing cash		
Depreciation	$ 16,346,866	$ 14,487,175
Loss on disposal of tangible capital assets	531,080	281,365
Tangible capital assets donated (Note 4)		(51,538,400)
Change in non-cash operating balances		
Accounts receivable	(791,934)	308,738
Grants receivable	3,283,499	2,884,276
Other assets	4,907	7,628
Accounts payable	(835,575)	(1,123,925)
Employee future benefits	380,400	258,600
Landfill closure liability	155,375	159,124
Deposits	(42,121)	957,067
Deferred revenue	(175,457)	200,163
Inventory	(24,775)	32,720
Prepaid expenses	(114,747)	435,280
Cash provided by operating transactions	$ 18,052,279	$ 21,297,454
Capital transactions		
Cash used to acquire tangible capital assets	$ (7,630,465)	$ (13,704,563)
Proceeds on disposal of tangible capital assets	61,013	3,777
Proceeds from Land for Resale	340,472	(14,113)
Cash applied to capital transactions	$ (7,228,980)	$ (13,246,899)
Financing transactions		
Proceeds from debt issues	$ 475,341	$ -
Debt repayment	(637,579)	(646,253)
Cash provided (applied) to financing transactions	$ (162,238)	$ (646,253)
Increase/(decrease) in cash	**$ 10,661,060**	**$ 6,936,303**
Cash at beginning of year	$ 39,773,487	$ 32,837,184
Cash at end of year	$ 50,434,547	$ 39,773,487

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Financial Statements of the City of Whitehorse are prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Reporting Entity

The financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity which comprises all the organizations that are accountable for the administration of their financial affairs and resources to the Council and are owned or controlled by the City. There are no external organizations that currently meet the criteria of forming part of the reporting entity.

All inter-fund balances and transactions are eliminated.

Basis of Accounting

Revenues and expenses are reported on the accrual basis of accounting. Revenues are recognized as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Budget Figures

Budget figures have been provided for comparison purposes. Given differences between the funding model and generally accepted accounting principles for local governments established by Canadian Public Sector Accounting Standards, certain budgeted amounts have been reclassified to reflect the presentation adopted under Canadian Public Sector Accounting Standards (Note 12).

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, in performing actuarial valuations of employee future benefits, and landfill closure and post closure costs.

Actual results could differ from these estimates.

Non-financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in nonfinancial assets during the year, together with the excess of revenues over expenses, provides the consolidated change in net financial assets for the year.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of an asset. The cost, less residual value, of the tangible capital assets, excluding land are depreciated on a straight line basis over their estimated useful lives as follows:

Asset	Rate
Land improvements	10 – 99 years
Buildings	10 – 60 years
Equipment	3 – 30 years
Linear Assets	10 – 80 years

Annual depreciation is charged in the year of acquisition and in the year of disposal. Assets under construction are not depreciated until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

Natural Resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

Works of Art and Cultural and Historic Assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

Land for resale

Land for resale is carried at cost. Cost includes capitalized carrying costs other than interest. Land for resale is written down to the extent that it exceeds estimated future net realizable value. To date, no write downs have been made.

Interest Capitalization

Interest costs associated with the acquisition or construction of a tangible capital asset are not capitalized.

Leased Tangible Capital Assets

Leases which transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Inventories of Supplies

Inventories of supplies held for consumption are recorded at cost and are written down when obsolete.

Deferred Revenue

Deferred revenue includes prepaid frontage tax received from property owners. The current year's portion of the prepaid tax is calculated on a straight-line basis. Each year the frontage debenture. Other prepaid revenue items are also included in this amount.

Taxation Revenue

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

Through the Yukon's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes to the extent that they exceed initial estimates are recognized at the time they are awarded.

Government Transfers

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

The most significant government transfer relates to the Comprehensive Municipal Grant received from the Yukon Government ($6,695,588 received in 2015). Government transfers related to contributions from gas tax collected by the Federal Government are deferred until spent on eligible projects. The following summarizes the changes in the balance included in deferred revenue:

Gas Tax	2015	2014
Opening balance of unspent funds	$ 127,161	$ 274,267
Opening reserve balance	34,231	33,003
Add:		
Amount received during the year	3,369,406	410,923
Interest earned	291	1,228
Less:		
Amount allocated to projects	3,531,089	592,260
Closing balance of unspent funds	$ -	$ 127,161
Other government transfers	345,402	325,823
Total deferred government transfers	**$ 345,402**	**$ 452,983**

Liability for Contaminated Sites

Effective January 1, 2015, the City adopted the new Public Sector Account Standard PS3260, liability for contaminated sites. The new standards can be applied retroactively or prospectively and the City has elected to apply it prospectively.

Under PS3260, governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for the remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the new standard, including sites that are no longer in productive use and sites for which the City accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability was recognized on transition as at January 1, 2015 or at December 31, 2015.

Prepaid Expenses

Included in prepaid expenses are expenses paid in the current period relating to a future period. In 2015, the balance of $812,674 was primarily related to prepaying insurance premiums due January 1 (2014 $697,927).

2. PRIOR PERIOD ADJUSTMENT

On January 1, 2009, the City was required by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada to adopt revised Public Sector Accounting Standards: Section 1000 – Financial Statement Concepts, Section 1100 – Financial Statement Objectives, Section 1200 – Financial Statement Presentation and Section 3150 – Tangible Capital Assets. At the end of the 2013 year the City began a review of their recorded assets to ensure accuracy. As a result a number of assets were reclassified. Reclassification adjustments were made in 2015 with no change to previous net book value.

Further, in 2015 the City became aware of infrastructure that was contributed by the Yukon government in prior years which had not been recorded in the City's accounting records. These financial statements retroactively correct for this matter. The impact of this adjustment was to increase the 2014 opening balance of accumulated surplus by $12,044,001 and to increase the 2014 carrying value of tangible capital assets by $12,044,001.

ACCUMULATED SURPLUS

3.

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2015	Appropriations: to reserves	Appropriations: from reserves	2014 Restated
Reserves:				
Area Development Scheme Reserve	$ 144,385	-	-	$ 144,385
Building Replacement Reserve	2,186,245	464,103	-	1,722,142
Capital Reserve	4,582,349	3,398,076	(2,030,500)	3,214,773
Cash In Lieu of Municipal Reserve	595,020	-	-	595,020
Cemetery Perpetual Care Reserve	143,209	8,165	(354)	135,398
Computer Equipment Reserve	242,288	105,219	(70,000)	207,069
Contingency Reserve	548,383	141,887	(100,000)	506,496
Development Cost Charge (DCC) Reserve	3,384,902	615,172	(740,524)	3,510,254
DCC: Rec Facility Replacement	1,538,784	159,916	-	1,378,868
Environmental Protection Reserve	(327,636)	133,879	(388,615)	(72,900)
Equipment Reserve	(1,051,001)	726,721	(2,204,321)	426,599
Gas Tax Reserve	34,231	-	-	34,231
General Fund Reserve	3,005,070	3,562,589	(2,192,386)	1,634,868
Land Bank Reserve	7,348,141	3,444,400	(190,689)	4,094,431
Parking Development Reserve	2,373,097	319,368	(34,765)	2,088,495
Recreation Facilities Reserve	416,276	145,000	(143,140)	414,416
Recreation Grant Reserve	1,500	-	-	1,500
Sister Cities Reserve	3,000	-	-	3,000
Snow & Ice Control Reserve	5,301	-	-	5,301
Tire Disposal Reserve	78,037	7,560	-	70,477
Transit Equipment Reserve	1,957,847	367,627	(79,112)	1,669,332
Water and Sewer Replacement Reserve	5,724,002	1,577,347	(2,134,934)	6,281,588
Total reserves	**$ 32,933,428**	**$ 15,177,029**	**(10,309,341)**	**$ 28,065,741**
Surplus:				
Invested in tangible capital assets	$ 414,502,060			$ 423,810,554
Long-term liabilities	(9,222,726)			(9,384,964)
Net investment in tangible capital assets	**$ 405,279,334**			**$ 414,425,590**
General Surplus	$ 10,919,091			7,305,762
Accumulated surplus	**$ 449,131,853**			**$ 449,797,094**

4. TANGIBLE CAPITAL ASSETS

2015 Consolidated Schedule of Tangible Capital Assets – by Category

Category	Restated Balance Beginning of Year	Additions	Disposals	Balance End of Year
Land	$ 18,463,412	$ 8	$ 2	$ 18,463,418
Land improvements	10,742,513	258,322	-	11,000,835
Buildings	116,796,994	521,423	78,722	117,239,696
Equipment	36,640,353	3,722,245	1,402,230	38,960,368
Linear assets	461,832,525	1,891,642	1,499,715	462,224,451
Assets under construction	5,031,496	2,151,625	914,801	6,268,321
Total	**$ 649,507,294**	**$ 8,545,265**	**$ 3,895,470**	**$ 654,157,090**
Accumulated Depreciation				
Land	-	-	-	-
Land improvements	3,092,197	524,792	-	3,616,990
Buildings	38,675,705	3,990,176	78,722	42,587,160
Equipment	20,488,054	2,734,425	1,397,044	21,825,435
Linear assets	163,440,783	9,097,473	912,811	171,625,446
Assets under construction	-	-	-	-
Total	**$ 225,696,739**	**$ 16,346,866**	**$ 2,388,577**	**$ 239,655,030**

Net Book Value

Category	Net Book Value December 31, 2014	Additions	Disposals	Net Book Value December 31, 2015
Land	$ 18,463,412	8	2	$ 18,463,418
Land improvements	7,650,317	(266,470)	-	7,383,846
Buildings	78,121,289	(3,468,753)	-	74,652,536
Equipment	16,152,299	987,820	5,186	17,134,933
Linear assets	298,391,742	(7,205,831)	586,904	290,599,007
Assets under construction	5,031,496	2,151,625	914,801	6,268,321
Total	**$ 423,810,554**	**$ (7,801,601)**	**$ 1,506,893**	**$ 414,502,060**

In total 96 parcels of land designated as buffer, park, public utility or roadway are recognized as capital assets at a nominal value of $1 each.

TANGIBLE CAPITAL ASSETS continued...

2014 Consolidated Schedule of Tangible Capital Assets – by Category

Category	Restated Balance Beginning of Year	Additions	Disposals	Balance End of Year
Land	$ 18,463,412	-	-	$ 18,463,412
Land improvements	8,018,318	2,756,092	31,897	10,742,513
Buildings	91,963,758	24,997,457	164,221	116,796,994
Equipment	33,349,393	3,432,560	141,600	36,640,353
Linear assets	419,782,756	42,724,513	674,744	461,832,525
Assets under construction	13,699,155	2,332,644	11,000,303	5,031,496
Total	**$ 585,276,792**	**$ 76,243,267**	**$ 12,012,765**	**$ 649,507,294**
Accumulated Depreciation				
Land	-	-	-	-
Land improvements	2,748,249	369,581	25,633	3,092,197
Buildings	35,279,926	3,500,363	104,584	38,675,705
Equipment	18,097,616	2,529,038	138,600	20,488,054
Linear assets	155,811,095	8,088,192	458,504	163,440,783
Assets under construction	-	-	-	-
Total	**$ 211,936,886**	**$ 14,487,175**	**$ 727,321**	**$ 225,696,739**

Net Book Value

Category	Net Book Value December 31, 2013	Additions	Disposals	Net Book Value December 31, 2014
Land	$ 18,463,412	-	-	$ 18,463,412
Land improvements	5,270,069	2,386,511	6,264	7,650,317
Buildings	56,683,832	21,497,094	59,637	78,121,289
Equipment	15,251,777	903,522	3,000	16,152,299
Linear assets	263,971,661	34,636,321	216,240	298,391,742
Assets under construction	13,699,155	2,332,644	11,000,303	5,031,496
Total	**$ 373,339,906**	**$ 61,756,092**	**$ 11,285,443**	**$ 423,810,554**

In 2014 assets with a total cost of $51,538,400 were donated to the City. These assets consist of the Whistle Bend subdivision which was built by the Yukon Government at an estimated fair value of $51,531,400 and two trails with a combined estimated fair value of $7,000. In 2014 the City assumed ownership of the subdivision assets.

In total 31 parcels of land designated as buffer, park, public utility or roadway are recognized as capital assets at a nominal value of $1 each.

5. LONG TERM DEBT

Long-term debt is issued on the credit and security of the City of Whitehorse.

	2015	2014
Balance as at January 1	$ 9,384,964	$ 10,031,218
Add: Borrowing	475,341	-
Less: Principal Repayments	(637,579)	(646,253)
Balance as at December 31	**$ 9,222,726**	**$ 9,384,964**

It is composed of debentures payable to the Yukon Government and loans payable to the Royal Bank and CMHC with various interest rates from 2.72% to 6.375% as shown below.

	Principal debt outstanding	Interest Rate
Yukon Government		
2000-45 1st Ave. Resurfacing	$ 15,371	5.250%
2001-32 Lane Paving (Closeleigh)	1,976	5.250%
2007-10 Black St. Roads	241,778	6.375%
2010-29 Black St. Reconstruction	389,249	3.260%
2011-07 Marwell East Reconstruction	1,549,082	3.260%
2013-46 Ogilvie St. West (Phase 1)	475,341	2.720%
Royal Bank		
2009-14 Public Safety Building	$ 5,715,247	6.290%
2010-21 Hanson Street Reconstruction	85,874	4.000%
Canada Mortgage & Housing Corporation		
2008-58 Takhini North	748,808	5.250%
	$ 9,222,726	

Current debt load is 11.21% of the statutory limit as stipulated in the *Municipal Act, R.S.Y. 2002.*

Retirement requirements for the next twenty years are as follows:

	Principal	Interest
2016	516,064	478,495
2017	523,762	452,540
2018	550,182	426,120
2019	578,058	398,244
2020	607,476	368,826
2021-2035	6,447,184	1,802,751
Total	**$ 9,222,726**	**$ 3,926,976**

6. CONTINGENT LIABILITIES

At December 31, 2015, contingent liabilities exist because there are legal actions pending against the City. The amount of the liability cannot be estimated at this time. The amount of any loss that may result from these claims will be recorded in the period that the amount becomes determinable.

The City recognizes environmental liabilities when they are known and can be reasonably estimated. At this time the City is not aware of any significant liabilities.

7. FINANCIAL INSTRUMENTS

The City's financial instruments consist of cash, accounts receivable, government transfers receivable, other due from government, other financial assets, accounts payable, deposits and long term debt. Unless otherwise noted, it is management's opinion that the City of Whitehorse is not exposed to significant interest, currency or credit risks arising from these financial instruments.

8. PENSION LIABILITY

Currently, employees contribute to a privately managed registered retirement savings plan. The plan is a defined contribution plan to which the City of Whitehorse contributes bi-weekly, based on various employment agreements, and therefore has no liability.

9. LANDFILL CLOSURE AND POST CLOSURE LIABILITY

The City has estimated that the remaining life of its landfill is 38 years based on present annual use and incorporating medium population growth projections. The estimate of closure costs in 2012 was $13.5 million. Using a 2% annual inflation rate, closure costs were estimated at $30.4 million in 2053. Approximately 28.09% (2014 – 26.84%) of the capacity of the landfill has been used as at December 31, 2015.

A liability has been established to address future closure and reclamation of the City's landfill, the liability's present value is estimated to be $1,444,330 (2014 - $1,288,955).

10. EMPLOYEE FUTURE BENEFITS

The City provides severance benefits to employees leaving the service of the City, based upon employees' years of service. Information with respect to the City's employee future benefits obligation is as follows:

	2015	2014
Accrued severance obligation, beginning of year	$ 3,012,000	$ 2,802,000
Service cost	263,400	218,800
Interest Cost	112,000	116,400
Benefits paid	(148,000)	(222,100)
Actuarial loss	76,500	96,900
Accrued severance obligation, end of year	**$ 3,315,900**	**$ 3,012,000**
Unamortized actuarial gain (loss)	(899,700)	(976,200)
Accrued employee future benefits liability	**$ 2,416,200**	**$ 2,036,800**

The accrued severance obligation as at December 31, 2015 was determined by an actuarial valuation. The significant actuarial assumptions adopted in measuring the City's accrued severance obligations are as follows:

	2015	2014
Discount rates	3.25%	3.50%
Expected future inflation rates	2.25%	2.25%
Expected wage and salary increases	3.00%	3.00%

The actuarial loss is the predicted accrual deficit at December 31, 2015; in order to meet the severance obligation, this amount is amortized over a period equal to the employee's average remaining service lifetime (i.e. 13 years).

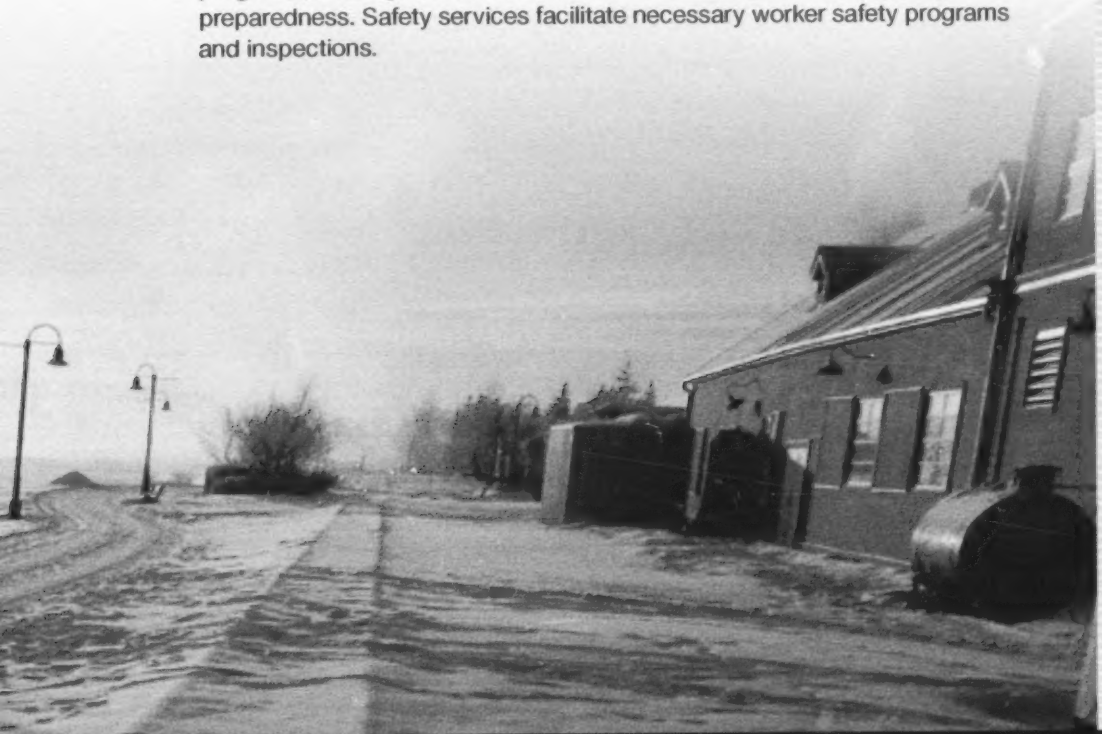
11.

SEGMENTED INFORMATION

The City of Whitehorse is a diversified municipal government institution that provides a range of services to its citizens such as transit, fire, water, and sewer. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government is comprised of the administrative operations of the municipality including the City Manager's office, all Directors, and the departments of Business & Technology Systems, Engineering Services, Financial Services, Human Resources, Legislative & Administrative Services, Strategic Communications and a portion of the Operations department. Business & Technology Systems maintains the City's computer infrastructure. Engineering facilitates the planning, design, and construction of the City's infrastructure. Financial Services is responsible for the financial reporting and control services of the municipality. Human Resources facilitate staff recruitments, provide staff relations advice and present staff development opportunities. Legislative & Administrative Services coordinates the flow of information to and from Council and Committee meetings. Strategic Communications works with all departments to ensure clear communication to the citizens of Whitehorse. The General Government portion of the Operations department is responsible for building maintenance functions.

Protective Services is comprised of Building Inspections, Bylaw Services, and Fire plus the safety and emergency services function. Building Inspections is responsible for the enforcement of building and construction codes within the City. Bylaw Services educates and resolves infractions against City bylaws while also performing animal control responsibilities. The Fire department is responsible for providing fire suppression and rescue service, fire prevention programs, training and education as well as assistance in emergency preparedness. Safety services facilitate necessary worker safety programs and inspections.



Transportation Services is made up of the balance of the Operations department and Transit. This part of Operations is responsible for the maintenance of all roads within City limits including snow and ice control, maintaining traffic lights and signs, line painting, and insect control, as well as fleet and equipment maintenance. The Transit department provides a Handybus service, which is a service for persons with disabilities in addition to the regular transit service.

Environmental Services is made up of the Environmental Sustainability and Water & Waste Services departments. Environmental Sustainability focuses on integrating sustainability initiatives, providing guidance on environmental issues and managing environment-related programs and projects. Water & Waste Services encompasses the water, sewer and garbage services of the municipality.

Public Health Services consists of the operation of the two cemeteries.

Community Development is made up of the Planning Services department and the Economic Development office. Planning is responsible for the long-range planning of the municipality in consultation with the community ensuring a consistent application of the City's Official Community Plan, Zoning Bylaw, and other legislation in order to protect the natural and developed areas of the City. Economic Development is intended to be the first point of contact within the municipality for those interested in doing business in Whitehorse.

Recreation and Cultural Services is made up of the departments of Parks & Trails and Facility Operations. They are responsible for the operations and maintenance of a variety of recreation facilities including the Canada Games Centre and approximately 33 neighborhood outdoor rinks, over 7,000 hectares of greenspace, numerous trails and parks, leisure programs, and special events.

2015 BUDGET ADJUSTMENTS

12.

The budget amounts presented throughout these financial statements are based on the Capital Expenditure Program (Capital) approved by Council December 8, 2014 and the Operating and Maintenance (O&M) Budget approved by Council on January 26, 2015. Capital re-budgets and other projects which do not impact the property tax rate are also included in the pre-finalization adjustment column below.

	Original	Pre-finalization adjustments	Final approved budget
Revenues			
Capital Revenues	$ 30,162,108	(13,730,802)	$ 16,431,306
O & M Revenues	69,648,351	686,149	70,334,500
	$ 99,810,459	**(13,044,653)**	**$ 86,765,806**
Expenses			
Capital expenses	$ 30,162,108	(13,730,802)	$ 16,431,306
O & M expenses	69,648,351	686,149	70,334,500
	$ 99,810,459	**(13,044,653)**	**$ 86,765,806**
	-	-	-

The table below shows the adjustments made to the 2015 budget values for the use of surpluses accumulated in previous years, debt transactions, depreciation expenses, tangible capital asset transactions and the accumulation of surpluses in the current year. The Adjusted Budget values are then comparable to the 2015 actual values, and are the budget values shown in the Statement of Operations.

	Final approved budget	Borrowing proceeds	Use of / transfers to accumulated surplus	Debt Principal payments	Depreciation expense	TCA expenditures	Adjusted Budget
Revenues							
Capital Revenues	$ 16,431,306	$ 475,341	(12,056,136)	-	-	-	$ 4,850,511
O & M Revenues	70,334,500	-	(3,921,334)	-	-	-	66,413,166
	$ 86,765,806	**$ 475,341**	**(15,977,470)**	-	-	-	**$ 71,263,677**
Expenses							
Capital expenses	$ 16,431,306	-	-	-	-	$ (16,431,306)	-
O & M expenses	70,334,500	-	(15,307,087)	(655,636)	16,346,866	3,442,541	74,161,184
	$ 86,765,806	-	**(15,307,087)**	**(655,636)**	**$ 16,346,866**	**(12,988,765)**	**$ 74,161,184**
	-	**$ 475,341**	**(670,383)**	**$ 655,636**	**(16,346,866)**	**$ 12,988,765**	**(2,897,507)**

13. OTHER INFORMATION

The City began work on a major project in 2015 to replace its existing building infrastructure. This project has an estimated cost in excess of $50 million and is expected to be incurred over a period of time ending in 2018. Funding will come from a variety of sources including reserves, debt financing and anticipated federal funding.

CITY OF WHITEHORSE
Schedule 1 - Statement of Financial Activities - by Segment
for the year ended December 31, 2015

Whitehorse
THE WILDERNESS CITY

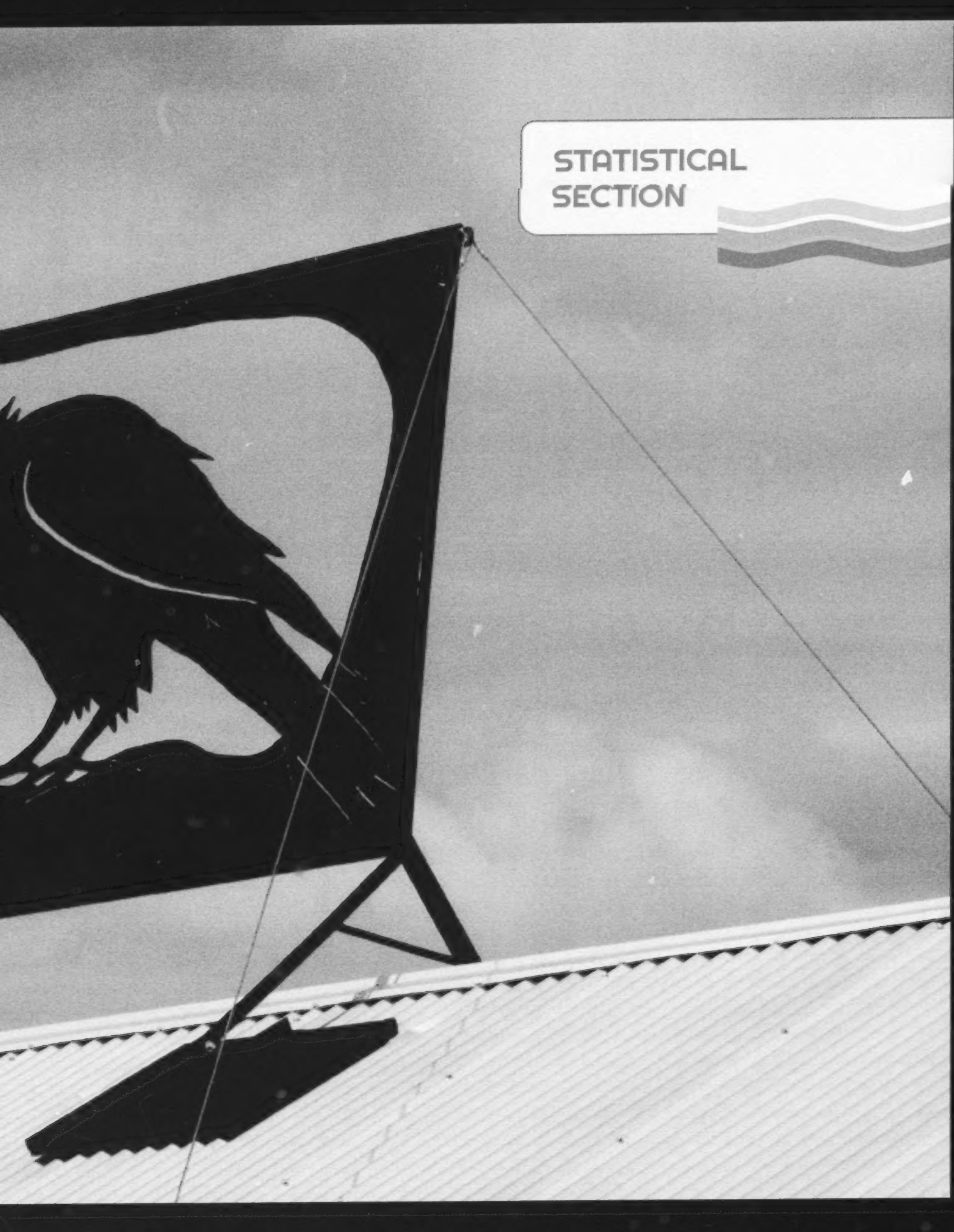
	Total All Funds							
	General Gov't Services	Protective Services	Transportation Services	Environmental Services	Public Health Services	Community Development	Recreation & Cultural Services	Consolidated
Revenues	segments detailed in Note 11							
Taxes & Payments In Lieu Of Taxes	$ 35,520,612	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,520,612
Government Transfers	8,158,624	50,000	114,050	328,378	-	27,274	193,478	$ 8,871,804
Sales Of Goods And Services	54,195	172,194	1,299,155	10,780,146	51,989	40,719	3,501,427	$ 15,899,825
Licenses,Permits,Penalties & Fines	136,898	2,128,852	3,000	123,015	-	52,945	-	$ 2,444,709
Developers Contributions	-	-	-	-	-	443,239	-	$ 443,239
Investment Income	428,737	-	-	-	-	-	-	$ 428,737
Other Revenue	4,998,948	25,519	72,700	960,908	-	(21,441)	42,709	$ 6,079,344
Donated Assets	-	-	-	-	-	-	-	$ -
Total:	$ 49,298,014	$ 2,376,565	$ 1,488,906	$ 12,192,447	$ 51,989	$ 542,735	$ 3,737,615	$ 69,688,271
Expenses								
Salaries & Benefits	$ 6,653,645	$ 6,244,845	$7,680,729	$4,428,704	$170,959	$1,295,564	$7,223,336	$ 33,697,782
Materials & Supplies	$ 2,272,030	402,163	3,810,746	$2,301,631	25,505	39,776	2,705,982	$ 11,557,833
Professional Services	$ 1,685,631	65,822	190,455	$1,384,552	-	129,413	665,631	$ 4,121,503
Public Relations	$ 124,819	16,645	7,901	$9,719	-	17,649	162,139	$ 338,872
Community Grants	$ 574,131	-	-	$420,537	-	44,553	333,852	$ 1,373,073
Interest	$ -	367,139	116,897	$18,659	-	-	3,795	506,491
Depreciation	$ 505,693	551,579	8,062,548	$4,762,222	52,562	-	2,412,265	$ 16,346,869
Other	$ -	111,114	300,986	$1,998,988	-	-	-	$ 2,411,088
Total:	$ 11,815,947	$ 7,759,306	$ 20,170,263	$ 15,325,012	$ 249,026	$ 1,526,956	$ 13,507,001	$ 70,353,511
Annual Surplus / (Deficit)	$ 37,482,067	$ (5,382,741)	$ (18,681,357)	$ (3,132,565)	$ (197,037)	$ (984,220)	$ (9,769,386)	$ (665,240)

CITY OF WHITEHORSE
Schedule 1 - Statement of Financial Activities - by Segment
for the year ended December 31, 2014

	Total All Funds							
	General Gov't Services	Protective Services	Transportation Services	Environmental Services	Public Health Services	Community Development	Recreation & Cultural Services	Consolidated
Revenues	segments detailed in Note 11							
Taxes & Payments In Lieu Of Taxes	$ 33,864,432	$ -	$ -	$ -	$ -	$ -	$ -	$ 33,864,432
Government Transfers	13,090,849	50,000	210,053	216,035	-	207,112	219,926	$ 13,993,974
Sales Of Goods And Services	49,860	142,708	1,254,768	9,961,840	41,990	68,894	3,395,225	$ 14,915,285
Licenses,Permits,Penalties & Fines	117,736	2,280,070	4,300	134,020	-	81,724	-	$ 2,617,850
Developers Contributions	-	-	-	-	-	712,892	-	$ 712,892
Investment Income	420,022	-	-	-	-	-	-	$ 420,022
Other Revenue	1,502,382	(2,022)	(13,650)	798,532	-	12,769	72,187	$ 2,370,197
Donated Assets	-		19,109,743	30,321,332	-	-	2,107,325	$ 51,538,400
Total:	$ 49,045,280	$ 2,470,756	$ 20,565,214	$ 41,431,758	$ 41,990	$ 1,083,391	$ 5,794,662	$ 120,433,053
Expenses								
Salaries & Benefits	$ 6,500,898	$ 6,064,596	$7,260,171	$4,216,377	$188,277	$1,271,728	$6,932,206	$ 32,434,253
Materials & Supplies	$ 1,746,236	491,689	4,046,214	$2,312,156	48,687	34,974	2,863,019	$ 11,542,975
Professional Services	$ 1,654,730	111,476	115,309	$1,425,551	-	278,575	571,654	$ 4,157,294
Public Relations	$ 91,914	13,350	10,502	$30,348	-	8,181	133,318	$ 287,613
Community Grants	$ 561,107	-	-	$191,866	-	36,785	315,450	$ 1,105,207
Interest	$ -	380,663	123,803	$17,664	-	-	8,339	530,469
Depreciation	$ 473,050	569,171	7,030,263	$4,074,447	54,100	-	2,286,146	$ 14,487,176
Other	$ 16,290	96,800	143,891	$1,665,336	-		18,106	$ 1,940,423
Total:	$ 11,044,225	$ 7,727,744	$ 18,730,152	$ 13,933,744	$ 291,064	$ 1,630,242	$ 13,128,239	$ 66,485,410
Annual Surplus / (Deficit)	$ 38,001,055	$ (5,256,989)	$ 1,835,062	$ 27,498,015	$ (249,074)	$ (546,851)	$ (7,333,577)	$ 53,947,643

CITY OF WHITEHORSE
Schedule 2 - Water & Sewer Utility
for the year ended December 31, 2015

	2015 Budget	2015 Actual	2014 Actual
Revenue			
Administration			
Miscellaneous income	$ 215,299	$ 274,395	$ 378,965
Previous year's surplus/(deficit)			
	$ 215,299	$ 274,395	$ 378,965
Water and Sewer Supply			
Flat rate sales	$ 5,080,049	$ 5,157,064	$ 4,722,497
Metered rate sales	2,619,303	2,768,502	2,438,873
	$ 7,699,352	$ 7,925,566	$ 7,161,370
Water and Sewer Other			
Frontage charges	$ 57,357	$ 53,000	$ 33,231
Penalties	118,000	108,481	122,703
Recoveries	283,928	275,024	266,858
	$ 459,285	$ 436,505	$ 422,792
Total revenue	**$ 8,373,936**	**$ 8,636,466**	**$ 7,963,127**
Expenses			
Administration	$ 2,015,011	$ 2,126,549	$ 2,112,370
Water system operations	3,432,347	3,486,534	3,436,988
Sewage collection and disposal	1,404,121	1,538,139	1,616,710
Water and sewer debt charges	29,335	18,660	17,664
	$ 6,880,814	$ 7,169,882	$ 7,183,732
Transfers to reserves			
Current year transfer	$ 1,551,793	$ 1,696,230	$ 1,554,138
	$ 1,551,793	$ 1,696,230	$ 1,554,138
Total expenses	**$ 8,432,607**	**$ 8,866,112**	**$ 8,737,870**
Surplus/(deficit) before depreciation & gain/loss on disposal	**$ (58,671)**	**$ (229,646)**	**$ (774,743)**
Depreciation	$ -	$ 4,520,646	$ 3,856,658
Gain/loss on disposal	-	230,090	68,575
Surplus/(deficit) after depreciation & gain/loss on disposal	**$ (58,671)**	**$ (4,980,382)**	**$ (4,699,976)**


STATISTICAL
SECTION

DEMOGRAPHICS & MAJOR VENDORS

Demographic and Economic Information

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Population	26,211	25,935	26,298	26,084	25,355
Unemployment Rate					
Yukon (as of December)	6.3%	4.3%	5.3%	6.0%	5.3%
Canada (as of December)	6.9%	6.9%	7.2%	7.1%	7.4%
Consumer Price Index (CPI) changes	1.1%	1.3%	1.7%	2.3%	3.0%
Occupancy Trends					
Dwelling Units	10,571	10,407	10,189	10,016	9,624
Median Rent	$915	$950	$900	$850	$800
Housing Starts	135	212	111	282	332
Avg. Selling Price of Homes (000)	$419.7	$384.7	$394.8	$402.7	$432.6
Vacancy Rate	3.5%	3.5%	3.1%	1.5%	1.4%
Other trends					
Res. Construction Value (000)	$21,541	$31,562	$22,992	$50,808	$52,503
Non-res. Construction Value (000)	$50,449	$48,427	$25,380	$22,788	$45,233
Business Licenses	2,304	2,407	2,080	2,864	2,326

Sources: City of Whitehorse and the Government of Yukon, Bureau of Statistics

City of Whitehorse Personnel

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Permanent	301	305	283	278	260
Casual/**Other	96	97	119	108	58
Total Staff	**397**	**402**	**402**	**386**	**318**
Increase (decrease) from previous year	(5)	-	16	68	(38)

***Consists of all non-permanent employees i.e. Temporary, Casual, etc.*

2015 Major Vendors

Atco Electric Yukon	$ 3,518,161
Inland Kenworth Ltd.	$ 1,675,342
North 60 Petro Ltd.	$ 1,596,160
AMSC Insurance Services Ltd.	$ 1,573,164
Castle Rock Enterprises	$ 1,542,467
P.S. Sidhu Trucking Ltd.	$ 973,953
Skookum Asphalt Limited	$ 635,455
AON Reed Stenhouse	$ 619,165
Government of Yukon B-1	$ 496,821
Ketza Construction Corp	$ 486,502
Territorial Treasurer	$ 438,476
Smeal Fire Apparatus Co.	$ 410,318
Finning (Canada)	$ 394,967
Great West Equipment	$ 326,152
Northwestel Inc.	$ 307,695
Bull, Housser & Tupper LLP	$ 289,865
Norcope Enterprise	$ 287,182
Public Service Alliance of Canada	$ 285,961
Raven Recycling Society	$ 244,495
P&M Recycling	$ 232,443

ASSESSMENT & TAXATION INFORMATION

Assessment and Taxation Information

Years ended December 31 for 2011 to 2015

Tax Rates			
	Non-Residential	Residential	Agricultural
2011	1.684%	1.227%	1.121%
2012	1.675%	1.135%	1.164%
2013	1.739%	1.178%	1.209%
2014	1.727%	1.097%	1.132%
2015	1.756%	1.116%	1.151%

Taxable Assessments (000,000)			
	Non-Residential	Residential	Agricultural
2011	790.5	1,184.5	0.3
2012	856.7	1,373.0	0.4
2013	874.8	1,438.8	0.4
2014	915.2	1,606.7	0.4
2015	936.6	1,631.9	0.4

Major Property Taxpayers

2015 Taxation Year

Yukon Hospital Corporation	$ 911,338.89
Canadian Tire Real Estate Ltd.	$ 274,302.48
CP REIT YUKON PROPERTIES LTD	$ 229,849.16
Walmart Canada Corp.	$ 172,787.77
89804 Canada Limited	$ 164,046.57
Kwanlin Dün First Nation	$ 113,987.05
Westmark Hotels of Canada Ltd.	$ 113,556.83
Northern Vision Development	$ 104,759.45
Quadra Equities Ltd.	$ 100,911.70
Home Hardware Stores Limited	$ 85,845.40

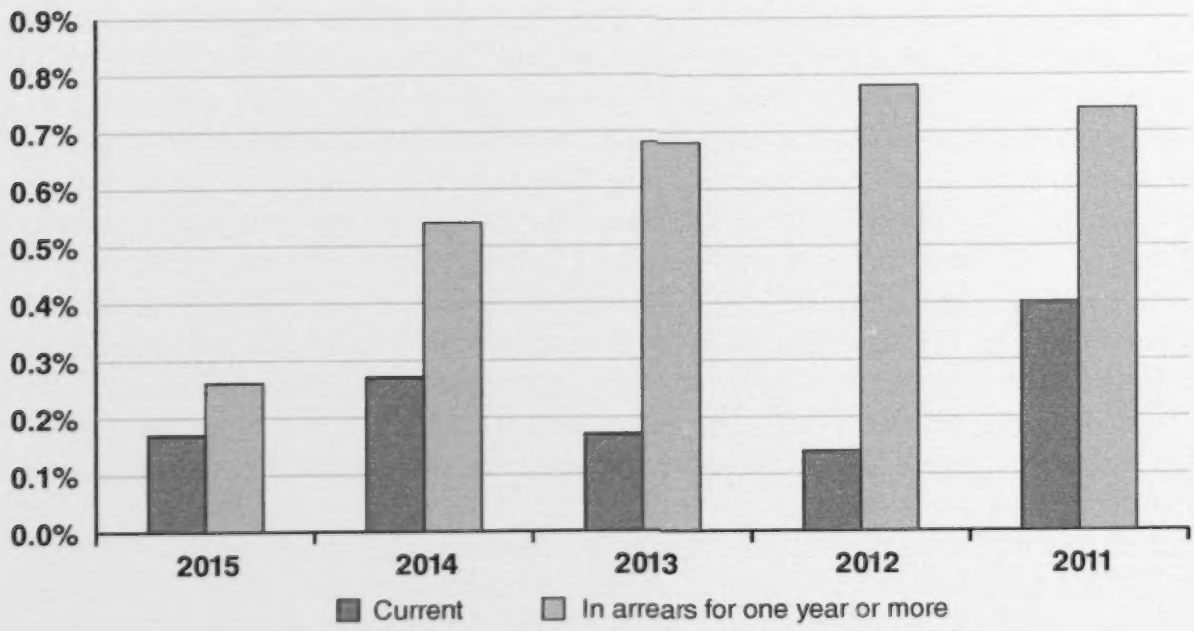
STATISTICAL SECTION

Tax Collection

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Current Taxable Levy	$ 35,047,856	$ 27,268,418	$ 26,378,901	$ 23,476,566	$ 21,847,160
Taxes Receivable					
Current	60,503	74,169	45,638	31,714	88,006
In arrears for one year or more	92,050	148,167	179,339	183,476	161,573
	$ 152,554	**$ 222,336**	**$ 224,976**	**$ 215,190**	**$ 249,579**
Taxes Outstanding as a % of Current Taxable Levy					
Current	0.17%	0.27%	0.17%	0.14%	0.40%
In arrears for one year or more	0.26%	0.54%	0.68%	0.78%	0.74%

Taxes Outstanding as a % of the Current Levy



REVENUE BY SOURCE & OBJECT

5 Year Comparative Consolidated Revenue By Source

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Taxes and payments in lieu of taxes	$ 35,520,612	$ 33,864,432	$ 32,607,543	$ 30,191,241	$ 28,051,329
Government transfers	8,871,804	13,993,974	15,136,317	24,246,203	13,837,969
Sales of goods and services	15,899,825	14,915,285	14,167,530	13,284,807	12,542,391
Licenses, permits, penalties & fines	2,444,709	2,617,850	2,311,530	2,528,870	2,793,830
Investment income	428,737	420,022	302,094	581,000	469,250
Developers Contributions	443,239	712,892	335,147	216,128	280,722
Other revenues	6,079,344	2,370,197	3,207,783	5,451,900	16,312,021
Donated assets	-	51,538,400	7		
Total Revenue	**$ 69,688,271**	**$ 120,433,053**	**$ 68,067,951**	**$ 76,500,149**	**$ 74,287,512**

5 Year Comparative Consolidated Expense By Object**

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Expense					
Salaries & Benefits	$ 33,697,782	$ 32,434,253	$ 29,769,794	$ 29,716,450	$ 28,611,520
Materials & Supplies	16,018,208	15,987,882	18,223,569	21,132,549	21,172,189
Community Grants	1,373,073	1,105,207	1,058,422	1,233,954	1,009,633
Debenture Interest	506,491	530,469	619,569	535,153	570,758
Other	2,411,088	1,940,423	1,382,745	2,733,065	1,792,151
Amortization	16,346,869	14,487,176	13,316,308	12,662,223	12,297,329
Total Expense by Object	**$ 70,353,511**	**$ 66,485,410**	**$ 64,370,407**	**$ 68,013,395**	**$ 65,453,579**

*** The term "object" refers to expense by nature or type*

5 Year Comparative Operating Revenue and Expense By Function

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Operating Revenue					
Total Operating Revenue	**$ 69,688,270**	**$ 120,433,053**	**$ 68,067,951**	**$ 76,500,149**	**$ 74,287,512**
Operating Expense					
General government services	11,815,947	11,044,225	11,960,364	11,589,505	13,376,888
Protective services	7,759,306	7,727,744	7,246,218	7,419,163	6,318,008
Transportation services	20,170,263	18,730,152	17,964,976	17,973,611	15,474,346
Environmental services	15,325,012	13,933,744	11,927,055	11,518,183	10,004,218
Public health services	249,026	291,064	249,001	255,390	263,445
Community development services	1,526,956	1,630,242	2,098,480	1,987,116	1,816,044
Recreation and cultural services	13,507,001	13,128,239	12,924,312	17,270,425	18,200,632
Total Expenses	**$ 70,353,511**	**$ 66,485,410**	**$ 64,370,407**	**$ 68,013,393**	**$ 65,453,581**
Operating Surplus	(665,241)	53,947,643	3,697,543	8,486,756	8,833,931
Accumulated Surplus/(Deficit)	$ 449,131,853	$ 449,797,094	$ 383,805,450	$ 380,107,906	$ 371,252,289

5 Year Comparative Financial Assets

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Net Financial Assets/(Deficit)	$ 32,923,546	$ 24,079,342	$ 20,148,458	$ 15,664,716	$ 15,232,842

Notes: All capital acquisitions have been eliminated for comparative purposes.

CAPITAL ASSETS & EXPENSES

Donated Tangible Capital Assets

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Land	-	-	$ 7	$ 6,406	-
Land Improvements	-	*** $ 7,000	-	-	-
Linear Assets	-	**** 51,538,400	-	** 131,650	* 163,400
Total	-	**$ 51,545,400**	**$ 7**	**$ 138,056**	**$ 163,400**

** amount is for the Peter Greenlaw Memorial bridge*
*** amount is for the Sima Creek bridge*
**** amount is for two trails*
***** amount is for Whistle Bend subdivision*

Tangible Capital Assets Recorded at a Nominal Value

Years ended December 31 for 2011 to 2015

	Net book value	Number of Properties
2011	$ 18	18
2012	$ 24	24
2013	$ 31	31
2014	$ 31	31
2015	$ 96	96

The amounts listed above relate to lands that are owned by the City of Whitehorse and consist of properties that are vacant, right of ways, parks or required for utility access.

STATISTICAL SECTION

5 Year Comparative Capital Expenses

Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Expense Components:					
Public Works	$ 2,015,629	$ 8,513,054	$ 4,151,010	$ 11,410,100	$ 8,047,886
Public Utilities	2,604,250	5,255,191	3,012,701	9,195,293	1,446,504
Building Projects	442,950	1,277,529	619,425	1,759,354	7,041,793
Vehicle & Equipment	4,246,097	5,361,529	5,849,150	2,241,422	2,035,560
Administrative Studies	296,281	1,649,533	440,913	824,673	601,955
Property/Park Development	352,774	376,209	766,703	3,506,479	894,627
	$ 9,957,981	**$ 22,433,045**	**$ 14,839,902**	**$ 28,937,321**	**$ 20,068,325**
Sources of Funding					
Transfers from Reserves					
Area Development Scheme	-	-	-	-	-
Building Replacement	-	-	-	45,974	731,210
Capital Reserve	2,023,300	3,522,812	1,917,759	4,844,466	2,030,342
Computer Equipment	70,000	100,000	70,000	34,964	75,100
Development Cost Charges	740,524	820,518	853,576	126,994	97,586
Environmental Protection	-	-	-	-	16,243
Equipment	2,066,296	1,899,622	1,352,333	936,712	474,499
General Fund	1,873,010	2,676,355	1,508,241	1,070,839	1,133,666
Land Bank	167,541	270,907	54,192	178,515	1,582,629
Parking Development	34,766	161,644	46,437	20,348	72,749
Recreation Facilities	143,140	154,151	159,164	-	25,000
Transit Equipment	79,112	-	-	-	74,008
Water and Sewer Replacement	682,759	2,837,765	558,487	701,463	412,083
Total Transfers from Reserves	7,880,448	12,443,774	6,520,189	7,960,275	6,725,115
Government of Canada Grants	(212,232)	2,591,290	1,200,719	7,728,229	4,060,741
Government of Yukon Grants	2,064,089	6,782,541	6,984,520	9,436,737	2,979,278
Debentures	-	475,000	-	2,189,824	108,987
Loans	-	-	-	-	-
Other Contributions	225,676	140,440	134,474	1,622,256	6,194,204
Total Funding	**$ 9,957,981**	**$ 22,433,045**	**$ 14,839,902**	**$ 28,937,321**	**$ 20,068,325**

5 Year Comparative Analysis of Debt

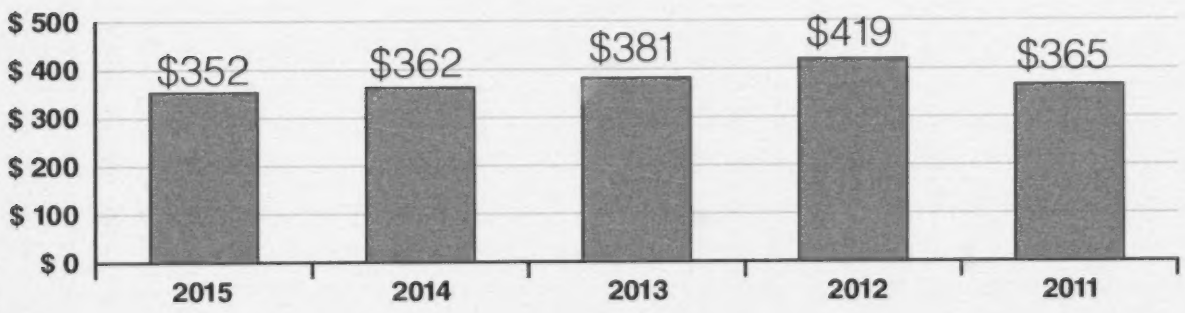
Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Total Assessed Value	$ 2,743,627,456	$ 2,603,278,556	$ 2,522,314,676	$ 2,313,962,362	$ 2,230,041,932
****Allowable Debt Limit**	82,308,824	78,098,357	75,669,440	69,418,871	66,901,258
Total Debt Outstanding					
Beginning of Year	9,384,964	10,031,218	10,825,283	9,247,993	9,843,376
Add:					
Borrowed Funds	475,341	-	-	2,317,093	108,987
Less:					
Principal Repayments	(637,579)	(646,254)	(794,065)	(739,803)	(704,370)
Total Debt Outstanding	**$ 9,222,726**	**$ 9,384,964**	**$ 10,031,218**	**$ 10,825,283**	**$ 9,247,993**
Detailed Total Debt Outstanding					
General Municipal	9,222,726	9,318,285	9,901,780	10,574,385	8,882,080
Water and Sewer	-	66,679	129,438	250,898	365,913
	$ 9,222,726	**$ 9,384,964**	**$ 10,031,218**	**$ 10,825,283**	**$ 9,247,993**
Gross Debt Servicing Costs	**$ 1,138,484**	**$ 1,183,049**	**$ 1,369,832**	**$ 1,280,235**	**$ 1,388,980**

*** The total principal amount of debt that a municipality may owe at any time shall not exceed three percent of the current assessed value of all real property within the municipality that is subject to property taxes or payments in lieu of taxes, as per the Municipal Act, R.S.Y. 2002, c. 154.*

Per Capita Debt

Years ended December 31 for 2011 to 2015



STATISTICAL SECTION

5 Year Comparative Reserves Analysis

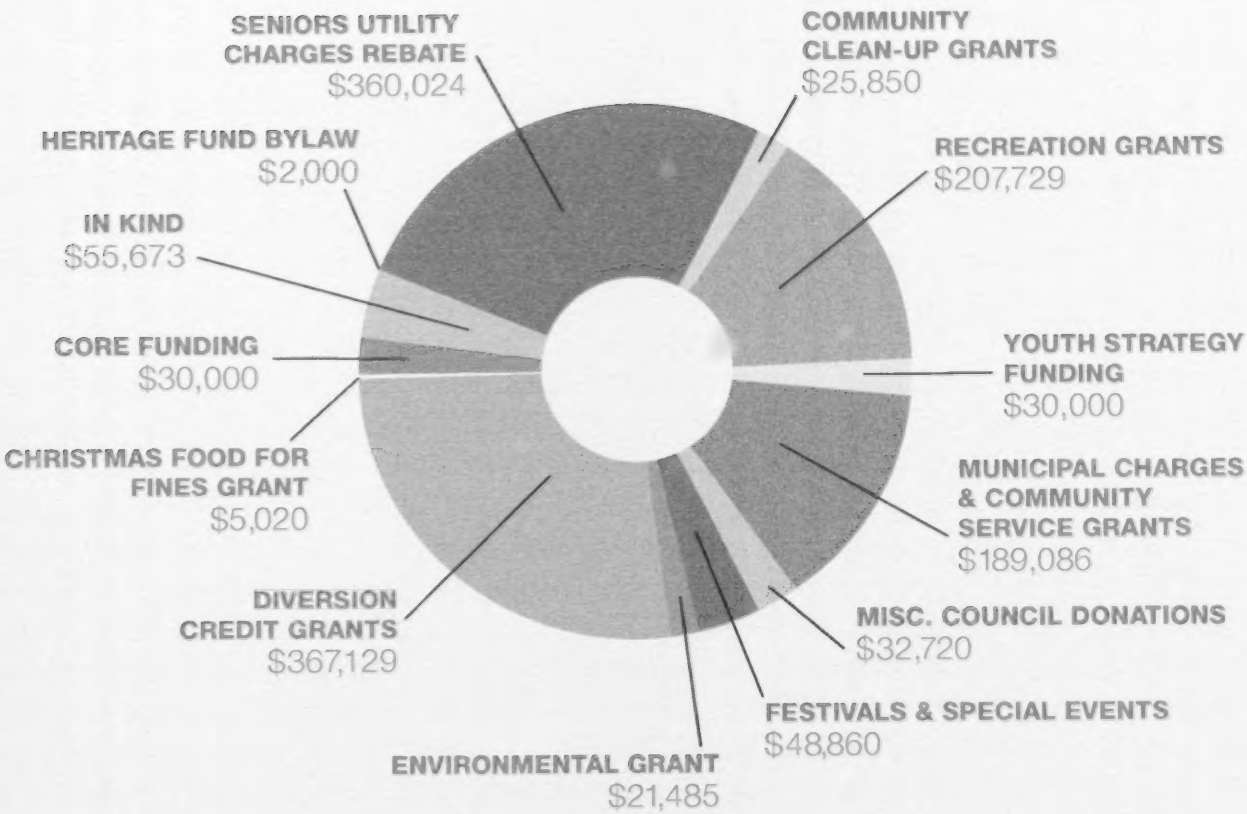
Years ended December 31 for 2011 to 2015

	2015	2014	2013	2012	2011
Area Development Scheme	$ 144,385	$ 144,385	$ 144,385	$ 144,385	$ 144,385
Building Replacement	2,186,245	1,722,142	1,243,967	779,864	344,348
Capital	4,582,349	3,214,773	2,476,313	772,243	2,293,915
Cash In Lieu of Municipal	595,020	595,020	595,020	544,840	505,100
Cemetery Perpetual Care	143,209	135,398	128,250	123,149	113,902
Computer Equipment	242,288	207,069	201,208	174,746	119,901
Contingency	548,383	506,896	748,194	748,194	291,081
Development Cost Charges	3,384,902	3,510,254	3,037,530	3,686,895	3,135,939
DCC: Rec Facility Replacement	1,538,784	1,378,868	1,168,428	1,050,683	881,195
Environmental Protection	(327,636)	(72,900)	(22,986)	(14,158)	(11,249)
Equipment	(1,051,001)	426,599	1,272,570	2,394,630	2,823,222
Gas Tax Reserve	34,231	34,231	33,003	32,118	27,528
General Fund	3,005,070	1,634,868	1,433,913	1,242,020	1,397,012
Land Bank	7,348,141	4,094,431	4,079,111	3,128,153	2,791,097
Parking Development	2,373,097	2,088,495	1,850,104	1,629,605	1,262,031
Recreation Facilities	416,276	414,416	324,348	338,513	193,513
Recreation Grant	1,500	1,500	1,500	1,500	5,700
Sister Cities	3,000	3,000	3,000	3,000	3,000
Snow and Ice Control	5,301	5,301	5,301	5,301	5,301
Tire Disposal	78,037	70,477	62,077	59,445	55,637
Transit Equipment	1,957,847	1,669,332	1,278,698	917,849	481,083
Water and Sewer Replacement	5,724,002	6,281,588	6,730,457	6,609,193	5,765,025
Total Reserves	**$ 32,933,428**	**$ 28,066,141**	**$ 26,794,391**	**$ 24,372,168**	**$ 22,628,666**

2015 GRANTS

GRANTS AND DONATIONS BY CATEGORY

The City of Whitehorse disbursed more than **$1,375,000** in grants and rebates to support community organizations and programs that benefit its citizens.



GRANT & REBATES HIGHLIGHTS

The City provided Environmental Grants totalling more than **$21,000** to the following groups to support environmental projects and waste diversion efforts:

- Environmental Education Association of the Yukon
- Miles Canyon Historical Railway Society
- Recreation & Parks Association (RPAY)
- Science Adventures
- Whitehorse Condo Corp #2
- Yukon Bird Club
- Yukon Conservation Society
- Yukon Fish & Game Association
- Yukon River Inter Tribal Watershed Council
- Yukonstruct

The City was proud to support more than a dozen community festivals and special events in 2015, providing over **$48,000** to these organizations:

- All City Band Society
- Association Franco-Yukonnaise
- Breakdancing Yukon Society
- Chinese Canadian Association Of Yukon
- Nakai Theatre Ensemble / Nakai Theatre
- Royal Canadian Legion Branch 254
- Teenage Life & Young Adults Society
- Yukon Art Society
- Yukon Comic Culture Society
- Yukon Educational Theatre
- Yukon Film Society
- Yukon First Nations Culture & Tourism Assoc.
- Yukon Literacy Coalition
- Yukon Quest Internaional Association
- Yukon Sourdough Rendezvous

STATISTICAL SECTION

In 2015, the City of Whitehorse provided **$360,000** to just under 800 residents for the Seniors Utility Charge Rebate.

The rebate is to support Whitehorse citizens 65 or older, or to surviving spouses who meet the program's criteria. The program provides a rebate to citizens from fees paid for water, sewer and garbage services up to a maximum of $500 per year.

The City supports Whitehorse youth theough the Youth Strategy Fund by providing over **$30,000** to the following groups:

- Boys and Girls Club of Whitehorse
- Youth of Today Society

GRANT & REBATE HIGHLIGHTS

The following groups received over **$25,000** in the City's Community Clean Up Grants:

- 551 Air Cadets
- 600 College Dr. Tenants Association
- Active Trails Whitehorse Association
- Association Yukon Paragliders & Hand Gliders
- Beta Sigma Phi Community Cleanup
- Biathlon Yukon / Whitehorse Biathlon Club
- Boys and Girls Club of Whitehorse
- Canadian Filipino Association
- Challenge Disability Resource
- Chinese Canadian Association of Yukon
- Christ Church Cathedral
- Disc Golf Association of Whitehorse
- Dog Powered Sports Association
- Ecole Emilie-Tremblay
- Escarpment Parks Society
- Fireweed Lions Club Community
- Friends of Mcintyre Creek
- Girl Guides of Canada
- Grace Community Church
- Hillcrest Community Association
- Jack Hulland Elementary School
- Japanese Canadian Association of Yukon
- Katog Choku Ling
- Klondike Highland Dance Club
- Madd Whitehorse Chapter
- Midnight Sun Dirt Riders Association
- Nlaye Ndasadaye Day Care
- Northmen Gaming Club
- Polarettes Gymnastics Club
- Porter Creek Secondary School
- Ramshackle Theatre
- Second Opinion Society
- String Ensemble Society of Whitehorse
- Swaziland Educational
- Tai Chi Association Yukon
- Teegatha 'Oh Zhen Society
- The Heart of Riverdale Community Centre Society
- Tops Yukon
- U Kon Echelon
- Vajra North
- Whitehorse Community Choir
- Whitehorse Downtown Residents
- Yukon Academy of Martial Arts
- Yukon Comic Culture Society

TOP RECIPIENTS OF 2015 MUNICIPAL GRANTS

Macbride Museum of Yukon History
$27,467.18

Softball Yukon Community
$24,582.38

Salvation Army
$20,585.78

Guild Society
$15,736.75

Teegatha 'Oh Zhen Society
$14,143.30

Kaushee's Place Housing Society
$13,431.28

Yukon Women's Transition Home Society
$11,999.23

- Yukon Dance Festival Society
- Yukon Green Party
- Yukon Home Education Society
- Yukon Kennel Club
- Yukon Medeval Combat Group
- Yukon Music Camp Society
- Yukon Orienteering Association
- Yukon Parents for Montessori Daycare
- Yukon River Inter Tribal Watershed Council
- Yukon Ski Team
- Yukon Soccer Association
- Yukon Transportation Museum

STATISTICAL SECTION

2015 Recreation Grants totalled **$200,000** to the following organizations and clubs:

Arctic Edge Skating Club
$1,153.00

Biathlon Yukon/ Whitehorse Biathlon Club
$3,800.00

Boreal Adventure Running Association
$500.00

Chickadees Playschool Association
$1,757.00

Fiddleheads Yukon Organization
$2,500.00

Freedom Trails Therapeutic Riding Association
$4,000.00

Friends of Mount Sima Society
$25,000.00

Golden Age Society
$7,000.00

Guild Society / Guild Hall
$8,000.00

Gwaandak Theatre Society
$2,500.00

Jazz Yukon
$3,200.00

Learning Disabilities Association
$10,000.00

Macbride Museum of Yukon History
$11,000.00

Mountainview Golf Club
$5,000.00

Music Yukon
$8,000.00

Nakai Theatre Ensemble / Nakai Theatre
$4,500.00

Special Olympics Yukon
$3,400.00

Various Families
$12,000.00

Victoria Faulkner Women's Centre
$8,000.00

Whitehorse Community Choir
$8,000.00

Whitehorse Concerts
$2,500.00

Whitehorse Cross Country Ski Club
$12,800.00

Whitehorse Curling Club
$7,000.00

Yukon Art Society
$12,000.00

Yukon Arts Centre Corporation
$8,500.00

Yukon Association for Community Living
$2,000.00

Yukon Breeze Sailing Society
$1,784.00

Yukon Church Heritage Society / Old Log Church
$5,000.00

Yukon Comic Culture Society
$2,995.00

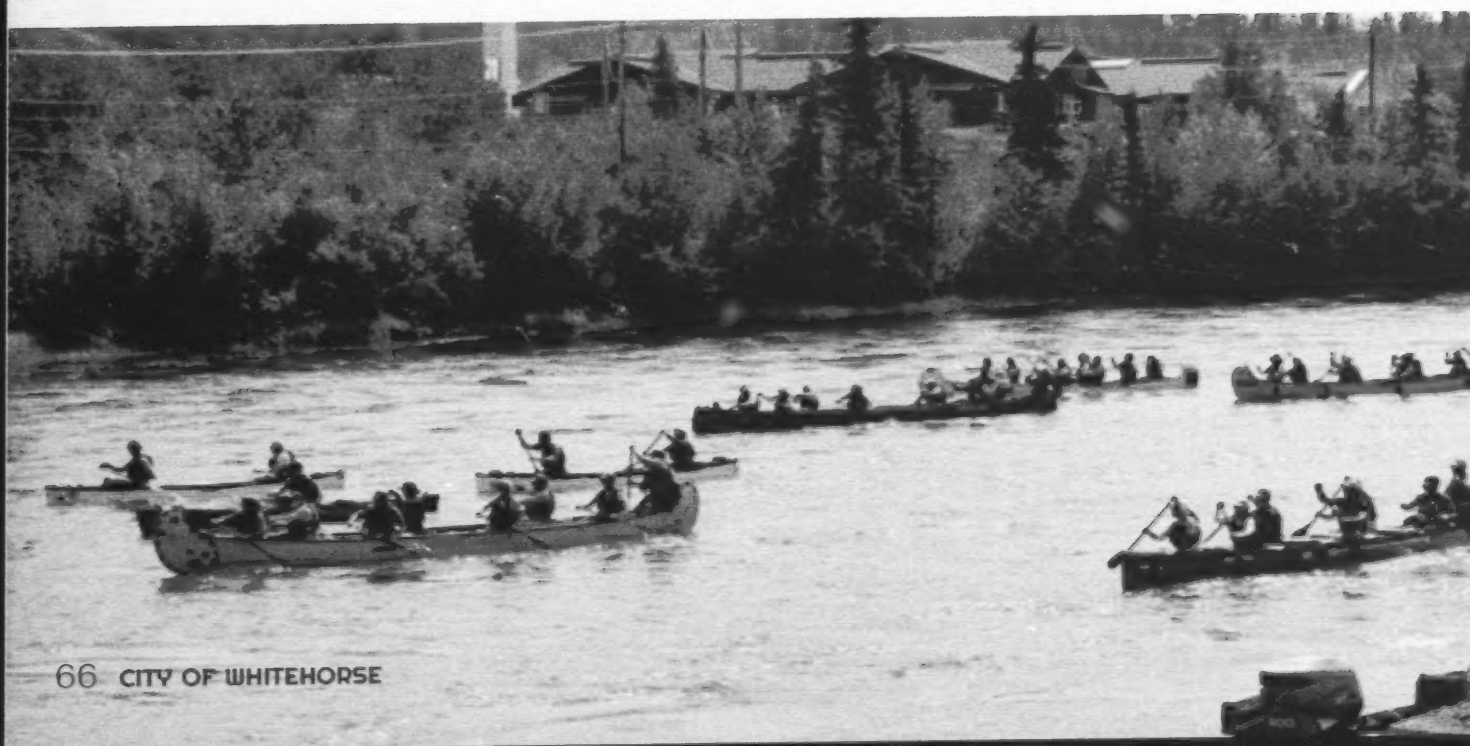
Yukon Curling Association
$2,000.00

Yukon Music Camp Society
$6,000.00

Yukon Transportation Museum
$15,000.00

CONTACT THE CITY

City General Inquiry Line	(867) 667-6401
After Hours Trouble Line	(867) 667-2111
Emergencies	call 911
Animal Shelter	(867) 668-8382
Bylaw	(867) 668-8317
Collections	(867) 668-8609
Engineering	(867) 668-8305
Fire	(867) 668-2462
Maintenance	(867) 668-8345
Operations	(867) 668-8345
Parks	(867) 668-8325
Property Taxes	(867) 668-8608
Snow Line	(867) 633-7669
Transit	(867) 668-8396
Utilities	(867) 668-8607
Water and Waste	(867) 668-8350



Whitehorse
THE WILDERNESS CITY

The City of Whitehorse

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JOIN THE CONVERSATION ON: